

1 MR. MURPHY: It says, "Pursuant to the commitment  
2 made by Chairman Dean in the January 9, 1986, letter  
3 and during the Commission meeting of March 11, 1986,  
4 I am responding to your January 3, 1986, letter by  
5 providing the Tennessee Valley Authority's (TVA)  
6 corporate position with respect to whether or not in  
7 light of the conclusions stated in the NSRS perception  
8 of Watts Bar status (NSRS' perception) the 10CFR Part  
9 50, Appendix B, requirements are being met at the  
10 Watts Bar facility."

11 That sentence I have some questions about.

12 Mr. Dean's January 9 letter stated that --  
13 you might want to get that letter.

14 MR. WHITE: I -- Okay.

15 MR. MURPHY: Included in Mr. Dean's January 9,  
16 1986, letter is the statement that, "In order to  
17 adequately respond to the inquiry, TVA board concurrence  
18 would be needed after consultation with the staff."

19 Did you in fact get TVA board concurrence prior  
20 to the submission of the letter to NRC?

21 MR. WHITE: Yes, sir. Mr. Willis. That's what  
22 I was trying to explain yesterday. To the best of  
23 my recollection that was the path. Although I had  
24 spoken to the board about the issue several times it  
25 was really -- it -- I would say that came from Mr. Willis. *du*

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MR. Murphy: Did Mr. Willis

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1 ~~Willis~~ tell you that the board has either read the  
2 letter prior to its submission and had concurred or  
3 what were the circumstances? Would you explain that  
4 to us?

5 MR. WHITE: To the best of my recollection I  
6 telecopied sometime before I signed the letter that  
7 to Mr. Willis and I think in a subsequent phone call -  
8 and this is the way we normally -- we -- sometimes --  
9 it's not abnormal to do business this way. ~~you~~<sup>He</sup> will Edw  
10 say, "Okay, it's all right," or, "Go ahead and send it."  
11 Sometimes I sign a letter and hold it and send that to  
12 Mr. Willis and say, "I'm going to hold it until you have  
13 had a chance to let me know." And then he calls ---  
14 calls back and says, "Okay."

15 MR. MURPHY: And then as far as you are concerned  
16 you had board concurrence?

17 MR. WHITE: Yes.

18 MR. MURPHY: In Mr. Dean's letter he also states,  
19 "This problem seems to be a case of differing professional  
20 opinions." How did you view that situation?

21 MR. WHITE: I can't climb into Mr. Dean's mind.  
22 I wasn't there when he drafted the letter.

23 MR. MURPHY: I'm not asking you to climb into  
24 Mr. Dean's mind, I'm asking how did you view the  
25 situation in light of the different professional opinion,

1 the procedures in place at --

2 MR. WHITE: I certainly did not focus when the  
3 20 March letter was written on what is called the  
4 differing professional opinion.

5 MR. MURPHY: But you are aware that they have  
6 a policy on that at TVA? Right? We discussed that  
7 yesterday?

8 MR. WHITE: Yes.

9 MR. MURPHY: That's it.

10 MR. ROBINSON: Mr. White, back on December 19,  
11 1985, as you are well aware, the NSRS staff member,  
12 Mr. Bob Sauer, raised some points that obviously had  
13 to be resolved in both TVA's and NRC's mind in a  
14 presentation to Commissioner Asselstine. Mr.  
15 Williamson, would you please give Mr. White a copy  
16 of the NSRS presentation and turn it to the perceptions,  
17 the last page.

18 MR. WILLIAMSON: (Presenting document).

19 MR. ROBINSON: This is a copy of the slide that  
20 Mr. Sauer used in his presentation to Mr. Asselstine  
21 listing the general, overall perceptions that NSRS  
22 had of the status of Watts Bar. Obviously both you  
23 can see and as NRC can see when it was presented to  
24 them they are very general perceptions and they are  
25 primarily negative allegations about the status of

1 Watts Bar with a bottom line that 10CFR50, Appendix B,  
2 requirements are not being met. Now on January 3, 1986,  
3 when the NRC came to TVA just prior to your arrival at  
4 TVA and asked for TVA's corporate position with respect  
5 to whether or not the requirements were being met at  
6 Watts Bar in light of the NSRS perceptions they sent  
7 a copy of that presentation along with their letter.  
8 Now as you said yesterday when we were talking, the  
9 technical people in NRC and TVA are probably a lot more  
10 knowledgeable about these items than you or I are as  
11 more of a management-type situation, so I want to talk  
12 to you about these perceptions in the framework of  
13 a management aspect and approach to responding to  
14 the perceptions. What I am going to do is I am going  
15 to give you what I would consider - and I may reveal  
16 my management capabilities to you - I'm going to give  
17 you what I would consider a logical management action  
18 in responding to these and see if in fact these thought  
19 patterns went through your mind or what in fact did.

20 The first thing I would do with a general list  
21 like this would be, number one, to determine in my  
22 mind whether or not it can be logically concluded that  
23 Appendix B requirements are not being met based on  
24 each one of these perceptions. In other words I might  
25 say, "Well, just because construction processes in

1 general are loosely controlled that doesn't necessarily  
2 mean the requirements of Appendix B are being met, et  
3 cetera.

4 Do you follow what I'm saying?

5 MR. WHITE: Yes.

6 MR. MURPHY: The next thing of course is if  
7 you take these allegations in their purest general  
8 sense without any background there are only three  
9 ways that I can see that those allegations can be  
10 answered. Let's take the first one as an example,  
11 the As-Constructed Welding Program as indeterminant.  
12 You can either say, "Yes, you're right. The As-  
13 Constructed Program is indeterminant, As-Constructed  
14 Welding Program is indeterminant; no, you're wrong,  
15 the welding program that we have is in fact determinant,  
16 or I'm not sure, I'll look into it." Is there any  
17 other answer that could be given to that right away,  
18 immediately upon receipt?

19 MR. WHITE: Sure. When you say immediately upon  
20 receipt let me make it clear that I didn't get involved  
21 in this kind of thought process. My first thought  
22 process as a manager is not to say, "Well, does this  
23 follow from all of these things above?" but rather to  
24 look at in the context of what we are looking at, find  
25 out about the facts of these issues. So -- But this is

1 one of the difficulties in this thing perhaps because  
2 the letter doesn't purport to answer -- for example,  
3 you said As-Constructed Welding Program is indeterminant.  
4 The letter in no regard purports to say that all issues  
5 involved with that first bullet are included in this  
6 letter. It says quite the contrary. So you have to  
7 get a very narrow focus on, first, we are certainly  
8 talking in the basic letter about that perception but  
9 we are also limiting it to what the NSRS -- the facts  
10 that they are providing. You know, some of these  
11 answers -- well, I think that...

12 MR. ROBINSON: Okay. Suppose that you had  
13 received this list of general allegations and gone to  
14 NSRS and they had said, "We don't have any facts to  
15 support these allegations," and yet these allegations  
16 are in the hands of the NRC and the NRC has asked you  
17 to answer them. What would you have done?

18 MR. WHITE: That's a hypothetical?

19 MR. ROBINSON: Yes.

20 MR. WHITE: You are saying I go to the NSRS  
21 and they say --

22 MR. ROBINSON: "We don't have any facts to  
23 support these, these are just our perceptions of what  
24 is happening at Watts Bar."

25 THE WITNESS: I probably would have called the

1 NRC at a relatively high level, perhaps Eisenhower or  
2 Denton, and said, "I want to have a meeting or I want  
3 to talk to you because we have this problem because  
4 I find ~~you're~~ you're saying nothing there. I then *aku*  
5 would have, because it's a matter of record, probably  
6 answered in some fashion saying, "Look, we've gone  
7 to these people and we can't investigate because there  
8 is no information there and so I'm going to continue  
9 with all the efforts I have to investigate these and  
10 other things at Watts Bar."

11 MR. ROBINSON: Is it possible to investigate  
12 these individual allegations without specific facts  
13 coming from NSRS?

14 MR. WHITE: Well that's what I just said that  
15 I would do. Again, the letter doesn't purport to  
16 put down on the surface of it -- you know, it doesn't  
17 purport to tell everything everybody knows including  
18 NRC. And remember the NRC of course knew a lot of  
19 information, had a lot of information.

20 MR. ROBINSON: Well I'm keeping it in the framework  
21 of perceptions, I'm not going outside that framework.

22 MR. WHITE: I understand. But you take a perception  
23 that says records are of poor quality. Take that one  
24 for example. Gee, that's very general. I don't know  
25 what is poor quality, what are the requirements. Does

1 that mean it's unsatisfactory. I don't know from  
2 that. But certainly there is an allegations and you  
3 would want to do a lot of investigating as a result  
4 of that. But that was not the purpose of my answer.  
5 It said just the opposite. It said we are going to  
6 do a lot of looking including these issues. In other  
7 words it was saying we have asked the NSRS, we have  
8 looked at what they have told us and here is a  
9 conclusion about today whether we are in compliance  
10 with Appendix B based on that input. But we are  
11 going to go look at that perception anyhow because  
12 there are a lot of other things going on and there  
13 may be a lot more information available and I'll  
14 keep you informed of what I find.

15 MR. ROBINSON: Was it a conclusion based on  
16 the input that you forwarded at that time strictly  
17 reliant upon the supporting information that NSRS  
18 gave to you in clarification and specifications of  
19 those bullets?

20 MR. WHITE: I'm not sure I'd use the word "strictly"  
21 with reference to the exclusion of because I didn't  
22 author the enclosures, I have never reviewed the volumes  
23 of information. I am not in position to say whether they  
24 included or did not include something else. I know what  
25 I was told by Mr. Kelly was the process. Whether it



1 included other things in the thing other than what  
2 NSRS told them I'm not in position to know directly.

3 MRS. BAUSER: Can I ask a clarifying question  
4 here. I understand your testimony to be the intention  
5 was to be responsive to the bases provided by NSRS  
6 for their perceptions?

7 MR. WHITE: Yes, that's what I said. I  
8 think they understood that.

9 MR. ROBINSON: Would you agree with me that  
10 it's two different issues to answer a question as to  
11 whether the As-Constructed Welding Program is  
12 determinant or not at Watts Bar and the other issue  
13 of what NSRS provides as basis for saying that the  
14 welding program is indeterminant at Watts Bar; or  
15 are those one in the same issue?

16 MR. WHITE: I -- can you try that one again,  
17 please?

18 MR. ROBINSON: And it goes back to I guess what  
19 I was saying what strategy or tack you would have taken  
20 if NSRS had not provided any basis for their perception  
21 that the As-Constructed Welding Program is indeterminant.  
22 But still within the framework of the bullet and satis-  
23 fying yourself as the manager of nuclear power that the  
24 As-Constructed Welding Program is in fact determinable  
25 does not just involve negating or countering some bases

1 that are provided by NSRS but it also involves looking  
2 at satisfying yourself that the As-Constructed Welding  
3 Program is determinant or not determinant? Is that  
4 correct?

5 MR. WHITE: I think I understand the thrust of  
6 your question. The welding is perhaps maybe the best  
7 example because in my -- one of the things that I  
8 am pretty sure I recall discussing with Mr. Denton,  
9 because it was the first, I thought --

10 MR. ROBINSON: Yes, it was the first perception.

11 MR. WHITE: Yes, it is. Okay. Because I wanted  
12 to make clear that in terms -- to separate the two  
13 things -- of we have followed this perception with  
14 regard to the NSRS. They have said it's indeterminant.  
15 In fact - and I don't want to be too loose in the words  
16 that I use because I don't have firsthand knowledge -  
17 but in fact we have gone to the individuals and said,  
18 "What do you base that conclusion on?" and based on  
19 that information there is no evidence today that we are  
20 not in compliance. But we have a huge program in place  
21 with an independent contractor reviewing the welding  
22 program and its implementation through inspection. And  
23 I don't know what that thing is going to say. I don't  
24 know whether it's going to say that - and I'm not saying  
25 this was part of the conversation - but I don't know

1 if that is going to say that in July of last year  
2 the welding program was indeterminant or you were in  
3 compliance or anything else. I don't know. I didn't  
4 know. And as a prime example I felt at the time that it  
5 was going to be at least a year - in fact it was even  
6 longer than a year - before that judgment could be  
7 made.

8 MR. ROBINSON: So are you saying that you satisfied  
9 yourself that you were in overall compliance with respect  
10 to the basis that NSRS indicated that the welding  
11 program was indeterminant but yet in your mind as of  
12 March 20 with the other welding program going on you  
13 were not sure that it was indeterminant or not?

14 MR. WHITE: I'm not sure I agree with all of  
15 the words you are using. I think I'm in agreement  
16 with the thrust of what you are saying and that is  
17 that I had a lot of things that had to be looked at  
18 and I did not know whether the plant had been built  
19 in compliance with anything. Therefore, if what you  
20 mean is does that mean did the welding program -- that  
21 the welding program in 1982 may have been indeterminant,  
22 then yes. It was not certainly in my questioning of  
23 Mr. Kelly and Mr. Huston and others. The issue was more  
24 are we in overall compliance today with what we should be  
25 doing right now. If the answer to that was yes, then the

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1 only other question was -- were questions <sup>about the 6 past</sup> that led to 211  
2 how bad. Has it been so bad in the past that we need  
3 to make some other judgment about the past because  
4 I didn't have enough information to make a more narrow  
5 judgment.

6 MR. ROBINSON: I wouldn't ask you to make a  
7 judgment about the past. I'm saying that as of the  
8 date you signed the letter were you satisfied in your  
9 mind that the As-Constructed Welding Program was  
10 determinant or were you just satisfied in your mind  
11 that the bases that the NSRS had used to say it was  
12 indeterminant had been countered?

13 MR. WHITE: In the questioning that I did of  
14 those people I frankly didn't at all focus on the  
15 word "indeterminant." I was really focused on are  
16 we today in overall compliance. I did not -- I don't  
17 recall ever saying, for example to Mr. Kelly, asking  
18 that specific question, is it determinant or indetermi-  
19 nant. It was more the bottom line thing that I was  
20 seeking: Does it meet the requirements today. And, so,  
21 I don't think I ever asked him that question.

22 MR. ROBINSON: Did you ask Mr. Kelly the  
23 specific question does the welding program meet the  
24 requirements today?

25 MR. WHITE: I don't recall specifically but I'm sure

1 that I must have in each of the cases asked the question  
2 are we in compliance today because -- because remember  
3 the -- and I don't ever recall him saying no because  
4 remember we are talking again overall compliance and  
5 I asked him enough questions to get the answers back  
6 as to why he felt that way.

7 MR. ROBINSON: What kind of questions -- when  
8 you were looking over the individual technical responses  
9 and you decided that that was so technical that you  
10 needed to get Kelly in there or whoever it was, what  
11 kind of questions did you ask him?

12 MR. WHITE: The basis for the information he  
13 was presenting. In many cases what the NSRS people  
14 believed. His answers depending on what they are,  
15 you know, depending almost on the circumstances because  
16 as you ask questions they lead to other questions. I  
17 can't answer it any better than that. For specifics  
18 I didn't have a checkoff list, let me ask you the  
19 following six questions. It was a more general -- to  
20 get an understanding of why he felt the way he did  
21 and did it seem reasonable to me that his -- that's  
22 the best word, was what his -- his answers, did they  
23 seem reasonable, did he seem to know what he was talk-  
24 ing about, that kind of...

25 MR. ROBINSON: Did his answers seem reasonable in

1 the context of responding to the NSRS basis? I guess  
2 what I am asking you is in the process of asking Mr.  
3 Kelly the questions obviously he is going to be know-  
4 ledgeable as to what transpired in the efforts to  
5 investigate the NSRS basis for that perception, he is  
6 going to be knowledgeable in that because that is what  
7 he was concentrating on. My point is were you looking  
8 when you were asking him these questions for whether  
9 or not the welding program was in compliance or were  
10 you looking for a satisfactory, acceptable rebuttal  
11 to the NSRS bases?

12 MR. WHITE: Let me make one thing clear. You  
13 have interviewed Mr. Kelly and the others and I'm sure  
14 they have already confirmed this to you, that the --  
15 that one -- one of the other things I learned in the  
16 Navy program was to be skeptical. To put that in  
17 context on many occasions I was what some would call  
18 the devil's advocate. On many occasions I really  
19 I'm sure to them appeared to be taking NSRS' side.  
20 They asked the questions in that -- I asked the  
21 questions rather in that framework. And I might add  
22 that there were even discussions - and I'm not sure  
23 with Kelly but certainly with Siskin and some of the  
24 others - as to what the hell the difference made  
25 where I -- whether I came to the conclusion we were

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1 or were not in compliance; and I -- even thinking  
2 back today I know my mental framework and my mental  
3 framework was that it didn't make a hell of a lot of  
4 difference to me and wouldn't make a hell of a lot of  
5 difference in what I intended to do whether or not  
6 the bottom line was we are in compliance or we are not  
7 in compliance. It just didn't strike me -- it didn't  
8 drive me in one direction or the other. I would have  
9 been quick to say we are not in compliance if the facts  
10 had supported that. So that was my mental framework  
11 at the time and I'm sure that that carried on into  
12 the questions because of -- a lot of areas I would  
13 purposely say that, "That doesn't make sense to me.  
14 I think you're wrong. Why isn't it this way?" And  
15 I'm sure much to the exasperation of those experts  
16 because they would have to then tediously tell me  
17 why they were right.

18 MR. ROBINSON: Was the suggestion ever made that  
19 you responded to NRC by saying, "We are investigating  
20 and we can't tell you, NRC, at this point in time  
21 whether we are in compliance with Appendix B."?

22 MR. WHITE: I don't recall that specifically  
23 coming up as an issue. It may have. Remember I was  
24 trying to tell them everything in a preliminary way.  
25 You are -- you have asked me a question and I am

1 trying to tell you what I believe, and there is a lot  
2 more to be done. Now that did I think come up in a  
3 conversation with Mr. Stello later on. And it did in  
4 a conversation on the 20th, that maybe the right thing  
5 to do was wait until it was all done and then answer it.  
6 It may have come up with other people earlier on but  
7 my notes reflect that it certainly came up with Mr.  
8 Stello.

9 MR. ROBINSON: But you don't recall whether it  
10 came up with Mr. Kelly or any of your other senior  
11 advisors?

12 MR. WHITE: I do not recall that coming up.

13 MR. ROBINSON: And you can honestly say under  
14 oath today you felt no difference in the situation  
15 whether you would have responded to NRC, "We are  
16 not in compliance," or, "We are in compliance."?

17 MR. WHITE: Whether I am under oath or not I  
18 will respond with the truth. I honestly can't remember  
19 many discussions that went on. Lots of issues came  
20 up. I don't remember that as a big, specific issue.  
21 I clearly asked questions - and I don't remember the  
22 responses - of the impact of saying one or the other.  
23 But my recollection is that when all that was over and  
24 I had all the explanations- and I don't even remember  
25 what they were - but as I recall at the time it was



1 very clear to me that it frankly didn't make a damn  
2 to me whether or not we said we were or were not in  
3 compliance. In a -- let me be blunt. In a lot of  
4 ways I felt it would have been better to <sup>have</sup> said that Ede  
5 we were not in compliance because the facts -- if the  
6 facts had supported it, I would have said it. In many  
7 ways at the time I felt it would be better to say that.

8 MR. ROBINSON: Why?

9 MR. WHITE: It was a big issue. There was  
10 obviously a fight going on. It would certainly put  
11 the thing to rest. And I'm talking in a week or so  
12 before this thing when it was obviously a very complex  
13 issue. Mr. Kelly, you know, obviously explained all these  
14 things. I would have been naive to expect that there  
15 would -- that NSRS frankly would have at that point  
16 said, "We are in complete agreement." I certainly didn't  
17 expect what has occurred as a result of that. There  
18 would -- it would have been a lot easier. Even in  
19 retrospect let me tell you in terms of my time it would  
20 have been much better if the facts had supported it to  
21 have said it. It -- I don't think it <sup>would</sup> ~~would~~ have Ede  
22 changed one whit in my opinion what I have done and what  
23 I am doing at Watts Bar, not one whit. I'm there to find  
24 out what the hell the problems are and fix them.

25 MR. ROBINSON: Just as an observer from the outside

1 you can obviously see some motivation for saying you  
2 are not in compliance simply because of the fact that  
3 you are there to correct TVA's nuclear problem.

4 Was there at anytime ever any suggestion to you  
5 by any of your advisors that - and this is general  
6 terminology - that, "Hey, even the NRC can't define  
7 what is compliance with Appendix B, so why don't we  
8 just say we are in compliance and let them wrestle  
9 with it.?"

10 MR. WHITE: No, I recall no such conversation.

11 MR. ROBINSON: Let's get back to the March 20  
12 cover letter. In the second paragraph of the cover  
13 letter - and you correct me if I'm wrong - it appears  
14 to me that the bases that you are coming to the conclu-  
15 sion that your overall QA program is in compliance with  
16 Appendix B is that, one, there is no pervasive breakdown  
17 in the QA program and, two, that problems have been  
18 identified and that TVA is remedying or will remedy  
19 all identified problems and that accordingly the overall  
20 QA program is in compliance. Is that a fair interpreta-  
21 tion of that paragraph?

22 MR. WHITE: No.

23 MR. ROBINSON: Okay. Tell us what you --

24 MR. WHITE: There are two separate issues that  
25 I mentioned. One is the past, which is the pervasive

1 breakdown. Then there is the present of overall  
2 compliance.

3 MR. ROBINSON: Explain that, please?

4 MR. WHITE: To be in overall compliance you need  
5 an approved program, for example, and I didn't include  
6 that, for example, and the paragraph doesn't say that  
7 because the assumption would be that we know there is  
8 an approved program, so does NRC know there is an approved ~~is~~  
9 program, and it's almost superficial to say that.

10 The thrust of the thing is, as I said earlier,  
11 my view of Appendix B and what it requires is a program —  
12 you know, is there a program, are there procedures, is  
13 it auditable, are things being found <sup>about what's</sup> ~~by what's~~ going on ~~PK~~  
14 and all of those things I mentioned earlier. That is  
15 quite apart from -- that tells when you -- and I don't  
16 want to take <sup>this in isolation, but in the next sentence</sup> ~~it out of isolation but the next~~, however, ~~PK~~  
17 I say, "Let me tell you there are lots of other things."  
18 I use the word "deviations." But overall there is  
19 enough there that you are in compliance.

20 Pervasive is the past part because that would have  
21 been a more significant issue as I recall than the  
22 compliance-noncompliance. As I said, it doesn't -- it  
23 didn't seem to make a whit to me whether we said in  
24 compliance or noncompliance in terms of what I had to  
25 do.

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If the breakdown had been so severe then it might have changed things. If the breakdown was of a certain magnitude, a certain severity, then it might not make any difference. I'd be deceiving NRC if I knew or had reason to believe that it had been so bad, then I would be deceiving the NRC to say to not even to talk about that but only we are in compliance today knowing something in addition. So that was a kind of a general look at the past.

MR. ROBINSON: How do you feel that the NRC can read that statement and assume that that is talking about the past and the other part of the statement is talking about the present?

MR. WHITE: Well that was one of the reasons that I made phone calls to NRC. Obviously, first, the letter is authored - and I don't know who the specific author is to my own knowledge - but certainly <sup>it</sup> is a licensing kind of document, <sup>that uses</sup> licensing kinds of words that I wasn't that -- wasn't all that familiar with. And, so, one of the reasons of discussing particularly with Mr. Denton on the thing was to make sure that he understood that. So, you know, it's a question -- you say, "How did I know they read it that way?" Because I read the paragraph to them and explained what the hell it ~~meant~~ meant And they seemed familiar with the <sup>usage</sup> ~~usage~~.

1 MR. ROBINSON: You told Mr. Denton in your  
2 conversation that pervasive breakdown refers to --  
3 refers primarily to what has gone in the past and  
4 the rest referred to mostly the present?

5 MR. WHITE: I believe so. I have to refer  
6 back to my notes. I read -- it was a lengthy conver-  
7 sation. I read I believe the entire letter perhaps  
8 excluding who it was addressed to and the administra-  
9 tive details at the bottom. My notes reflect that  
10 we had - and I don't know -- I say it was a lengthy  
11 conversation and the notes are almost shorthand of  
12 the full discussion. But they clearly reflect that we  
13 discussed two parts of this thing: whether or not you  
14 are in compliance today and whether or not there were  
15 problems in the past. And then the rest of it indicates  
16 clearly I was telling him that I can't talk about the  
17 past, there are lots of investigations going on, except  
18 in the overall sense. My people have explained to me  
19 why - and these obviously may not be the precise words,  
20 I'm giving you the thrust. But my people certainly  
21 have convinced me that it isn't so bad in the past,  
22 that is, pervasive. Pervasive is not a word that I  
23 would use every day. It's not something --

24 MR. ROBINSON: Was that word already in the  
25 final letter when it was presented you for signature?

1 MR. WHITE: Yes, it was.

2 MR. ROBINSON: Do you know how it got there?

3 MR. WHITE: No, I don't.

4 MR. ROBINSON: Were there any discussions about  
5 the use of "pervasive," with you and Mr. Kelly?

6 MR. WHITE: Yes. Mr. Kelly and perhaps others.  
7 The reason I -- I mentioned earlier the reason I had  
8 asked for the legal case is I think -- I think from  
9 Mr. Kelly -- at one point he said in a conversation on  
10 the use of the word "pervasive" that there were a  
11 couple of cases that applied to this situation and it  
12 was based on that, that I asked to look at to see what  
13 the definition of the word "pervasive" was. So we  
14 had that discussion. I'm sure, to the best of my  
15 recollection, there was a subsequent discussion after  
16 I had the case and lines in it were highlighted and  
17 we discussed that definition in the highlighting. I  
18 may have had the same discussion with others but I  
19 clearly had them with Mr. Kelly.

20 MR. ROBINSON: And when you signed that March 20  
21 letter what in your mind was the definition of "perva-  
22 sive"?

23 MR. WHITE: Precisely what that law case -- and it  
24 was a --

25 MR. ROBINSON: Are you referring to the Calloway

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1 MR. WHITE: Yes. That was one. And the other  
2 decision that Mr. Kelly discussed with me was a plant  
3 in California.

4 MR. ROBINSON: Diablo Canyon?

5 MR. WHITE: Yes. My recollection of the definition  
6 and don't hold me to the precise words, please - but  
7 that you -- to have a pervasive breakdown you had to  
8 have a certain magnitude. You had to have a breakdown  
9 of QA procedures of such magnitude that it casts  
10 some reasonable doubt on whether or not that plant,  
11 whichever plant, whether or not that plant could be  
12 operated without --

13 MR. ROBINSON: Danger to the public health and  
14 safety?

15 MR. WHITE: Well, no, it -- it -- that's close  
16 but it was more in the thrust of did the safety systems  
17 work, did you have reasonable assurance or reasonable  
18 doubt as to whether or not the plant -- whether it  
19 was public health and safety I don't remember but that's  
20 the thrust. It clearly defined in legal terms what  
21 that word meant and that is the only reason it's in  
22 there, is it had a legal definition. It had a defini-  
23 tion.

24 MR. ROBINSON: Beyond that legal definition did  
25 Mr. Kelly ever discuss with you that he would never

1 sign off as concurrence on that letter unless the  
2 word "pervasive" meant one-hundred percent of all  
3 aspects of the Quality Assurance Program?

4 MR. WHITE: No, never.

5 MR. REINHART: Did he say to have a pervasive  
6 breakdown you would have to have all aspects of every  
7 criteria of 10CFR50 violated or nearly so?

8 MR. WHITE: No. The best I can recollect of  
9 those conversations was the feeling -- because  
10 obviously even though there is a legal definition,  
11 sure I asked him questions, and my recollection is  
12 that you could have breakdowns, significant breakdowns  
13 in perhaps more than one area and still not have  
14 pervasive breakdown, in fact still be in compliance  
15 with. So it was a -- we had discussions because -- I  
16 remember at the time drawing I think on a piece of  
17 paper a line and saying, "What you are telling me,  
18 Mr. Kelly, is on -- you have a line and a broad --  
19 it can be somewhere in that range. Over on the right  
20 I am at what I call perfect compliance. I have  
21 absolutely no deviations. The acknowledgement  
22 from him, persuasive one, that there is no plant in  
23 the country that way. On the other end of that line,  
24 that spectrum, you had a situation so bad, of such  
25 magnitude that you had a pervasive breakdown (drawing).



1 And then in discussing in terms of the past that we  
2 clearly were not on the right side, the far right,  
3 perfect compliance in the past. There was too much  
4 evidence. But that we were not yet historically a  
5 pervasive breakdown (drawing). And that is the  
6 thrust of the discussion.

7 MR. ROBINSON: Did you discuss where on that  
8 scale you thought TVA was?

9 MR. WHITE: No. I felt -- I can tell you my --  
10 because I am a skeptical person and frankly my standards  
11 are very high. And I felt based on five-thousand  
12 or some number of unanswered employee concerns, in view  
13 of the management difficulties that I saw, that we  
14 were certainly I felt on the left side, to the middle  
15 of that. I wasn't in a position -- if you were to  
16 say the middle of it is average - and I am almost  
17 speculating now because I don't think we got into  
18 the discussion - but it would have been - I'm trying  
19 to give you my best feel. But if you would have said  
20 the middle is average to the country, I would have  
21 felt that TVA was below average.

22 Now I must tell you also from a subsequent  
23 conversation that that was not Mr. Kelly's opinion  
24 that TVA was below average.

25 MR. ROBINSON: His opinion was that you were average

1 or better?

2 MR. WHITE: In a meeting that probably took  
3 place in May Mr. Kelly, Mr. Huston, the board members,  
4 the general manager and a whole bunch of other people --  
5 Mr. Dean asked the question of Mr. Kelly as to how  
6 TVA compared, talking Appendix B, how do we compare,  
7 talking about welding, a lot of things, how do we  
8 compare with the rest of the industry. And Mr. Kelly's  
9 response was to the effect of it's pretty much the  
10 same as to what other plants' problems are because  
11 Mr. Dean picked up on that very much and I was angry  
12 with Mr. Kelly for an entirely different reason and  
13 afterwards spoke to him about it because I was afraid --  
14 I had been telling the board we had real problems that  
15 needed to be solved and Mr. Dean apparently, because  
16 he asked some subsequent questions of Mr. Kelly -- and  
17 I was afraid that the chairman was getting the impression  
18 that, "Hey, everything is really okay and White is  
19 ~~exaggerating~~ <sup>exaggerating</sup> the problems he says he's facing." So Edu  
20 afterwards I called down Mr. Kelly and said, "You  
21 should not have said that and I am now going to have  
22 to go back and tell the board and the general manager  
23 that although you are the expert I think we have  
24 problems." So from that when I say average that's  
25 what I mean.

1 MR. ROBINSON: Was it your understanding --

2 MR. WHITE: But frequently and I think even in  
3 that meeting he would mention other plants. So I --  
4 I didn't know who those plants were or what they were.

5 MR. ROBINSON: Was it your understanding from  
6 both your and Mr. Kelly's interpretations of the  
7 Calloway decision regarding the definition of "pervasive"  
8 that you had to have a pervasive breakdown in order to  
9 be in overall noncompliance with Appendix B?

10 MR. WHITE: I don't remember that specific  
11 discussion.

12 MR. ROBINSON: What is your opinion on that now?

13 MR. WHITE: As to whether or not --

14 MR. ROBINSON: In order to be in noncompliance  
15 with 10CFR50, Appendix B, do you have to have a pervasive  
16 breakdown as defined in the Calloway decision?

17 MR. WHITE: No, I don't believe that. If I  
18 understand your question correctly, I can be in non-  
19 compliance and still be -- and still not ~~be~~ be to *Ed.*  
20 that degree that it's pervasive.

21 MR. ROBINSON: And I'm not talking deviations now,  
22 I'm talking noncompliance.

23 MR. WHITE: Let me think.

24 MRS. BAUSER: Can I ask a question. You said  
25 you have to have a pervasive QA breakdown as opposed to

1 have had? Are you making it a present --

2 MR. ROBINSON: Present.

3 MRS. BAUSER: So if you presently have a  
4 pervasive QA breakdown are you in overall noncompliance?

5 MR. ROBINSON: I'm asking --

6 MR. CHARNOFF: You got it backwards:

7 MR. ROBINSON: Yes. I'm asking -- I said if  
8 you do not now have a pervasive breakdown --

9 MR. CHARNOFF: Does it necessarily follow that  
10 you are in noncompliance.

11 MR. WHITE: No, I -- as I -- I was worried  
12 you were saying what Mrs. Bausser is saying. If I  
13 have a pervasive breakdown I am clearly in noncompliance.  
14 The other way around I don't think is necessary.

15 MR. ROBINSON: All right. You --

16 MR. REINHART: The way you define pervasive  
17 breakdown, is that -- do you know of any plants or  
18 heard of any plants that have ever had one?

19 MR. WHITE: I don't know but I am not an expert.  
20 I would guess -- guess there have been but I have  
21 never done a study of that.

22 MR. REINHART: Is that a thing that could occur?

23 MR. WHITE: Certainly. I'm not aware of whether  
24 and where it has.

25 MR. ROBINSON: I'm going back again to the March

1 20 letter, the second paragraph, and I am referring  
2 to the specific phrase that, "Problems have been  
3 identified and TVA has remedied or will remedy all  
4 identified design construction deficiencies and  
5 noncompliances and that accordingly the overall QA  
6 Program is in compliance with 10CFR Part 50, Appendix  
7 B." That phrase can be interpreted very, very strictly.  
8 I'll just let you tell me what you meant by that phrase.

9 MR. WHITE: I can't take the phrase out of the  
10 context of the paragraph but the first sentence says,  
11 "On the basis of a review of the issues identified..."  
12 That is the entire basis of anything that follows. So  
13 as I said, the narrow look at it. So based on that  
14 can you tell me what your question is?

15 MR. ROBINSON: My question is based on that,  
16 within that framework what is the idea that you were  
17 trying to convey to the NRC when you said, "Problems  
18 have been identified and TVA has remedied or will  
19 remedy all identified design construction deficiencies  
20 and noncompliances."? What were you trying to convey?  
21 Were you trying to convey merely that TVA has identified  
22 more than one problem and that they are going to correct  
23 it, or were you trying to convey that TVA has got a  
24 system that is working and that is effective in  
25 identifying and correcting problems and therefore we

1 are in overall compliance, or somewhere in between?

2 MR. WHITE: What I am trying to convey is that  
 3 we have reviewed an issue -- well let me be more  
 4 specific. We have reviewed a perception, gotten  
 5 the information from the individual and we have  
 6 pursued that specific thing; and as we pursued it  
 7 what we found was that these other things were happen-  
 8 ing at that moment and that therefore the consequence  
 9 of that we were in overall compliance. I now -- and  
 10 this is the danger in trying to separate the letter  
 11 from the enclosures. In the enclosures, you know,  
 12 in the questioning, as I said, yesterday of Mr. Kelly  
 13 by me, it's the kind of thing where I would ask a  
 14 question and he would explain to me what was happening  
 15 there today and what the program was and he might say  
 16 they had a problem, recognized it as a problem, put  
 17 in place the right procedures and today we have checked  
 18 and the procedures are correct, they are in compliance  
 19 and we have checked the implementation <sup>with the people and he</sup> ~~to know with the~~  
 20 <sup>and they are</sup> ~~people~~ <sup>people</sup>, doing it that it's okay. And this is the para- <sup>Edw</sup>  
 21 graph which is now trying to take all of that and say  
 22 based on that narrow slice here is what we have found;  
 23 and, therefore, because we have gone out and found these  
 24 things, these things being the instructions or procedures,  
 25 the -- through interviews, the program implementation,

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1 that we are in overall compliance. That is not to say  
2 that there aren't any deviations.

3 MR. ROBINSON: Does it -- Is it saying that  
4 within the framework of the perceptions, within the  
5 framework of your investigation of the perceptions  
6 that your system of identifying and correcting problems  
7 is effective?

8 MR. WHITE: It is saying that - and I just have  
9 to repeat this - that looking at the perceptions -- and  
10 I'm going to use a different phrase now -- through  
11 the -- and I'll say through the eyes of the <sup>NSPS</sup> ~~NS~~ people, *Edw*  
12 in other words the information they provided, they said  
13 that, "We think that this is a problem," that pursuing  
14 what they have indicated they substantiated the facts *Edw*  
15 that they gave and when that was verified in the field *Edw*  
16 they found that we were in over/overall compliance with *Edw*  
17 Appendix B.

18 MR. ROBINSON: Because in that specific type  
19 situation you had identified those problems and they  
20 were either corrected or were in the process of being  
21 corrected?

22 MR. WHITE: We were relying on the issues, the  
23 facts - call them issues - but we were relying on what  
24 they based their perceptions on.

25 MR. ROBINSON: I understand that. I'm just trying

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to get from you - and maybe I'm dense here - I'm trying to get what -- were you trying to indicate to the NRC in that phrase that your corrective action system was working properly?

MR. WHITE: No. If that's the question, maybe I can shortcut this. It's only saying with regard to that first sentence, the issues identified in-- it's what -- when we pursued what the NRC has said -- what the NSRS said, we found in those cases it was working properly. Let me tell you I am not satisfied today - and I put a lot of effort -- our system is not to my standards today. If that is the question, I can tell you right now it doesn't meet my standards and I'm raising a lot of hell about it.

MR. ROBINSON: So you were saying that within the framework of the NSRS perceptions your investigation of those issues, your corrective action system was working properly?

MR. WHITE: I can answer it the same way but --

MRS. BAUSER: Let me -- you deleted one phrase that's important, which is why I think he's stuck. You said on the basis of the NSRS perceptions, on the basis ~~of~~ the basis for -- EKW

MR. ROBINSON: Yes.

MR. WHITE: That's why I keep saying the issues --



1 MRS. BAUSER: He can answer the question.

2 MR. WHITE: I did.

3 MRS. BAUSER: Not the whole perception, it's --

4 MR. ROBINSON: Is that what you meant?

5 MR. WHITE: Yes. I've tried to say a number of  
6 times the letter does not purport to say everything is  
7 okay. Everything is not okay. But we have been asked  
8 a narrow, specific area and here is how we have answered  
9 it and I have got a lot of other looking to do.

10 MRS. BAUSER: Does the letter purport to say  
11 that everything is okay in each of the perception  
12 areas?

13 MR. WHITE: Absolutely not.

14 MR. ROBINSON: Does the letter purport to say  
15 you are in compliance with Appendix B within the frame-  
16 work of the eleven perceptions?

17 MR. WHITE: No. Let's go back to my conversation  
18 with Mr. Denton. That is precisely the issue that he  
19 was raising. I was saying to Mr. Denton, "Look, you  
20 understand that this thing is based on what we have  
21 been able to get from the NSRS people and we are going  
22 to continue to look at the eleven things." His whole  
23 suggestion, his whole problem was, "Then say that  
24 specifically." I said I thought it was already in the  
25 letter but if they are somehow going to feel that I'm

1 nonresponsive or trying to shade something, I'll  
2 put that sentence in there so that it's clear to the  
3 whole world what I'm saying. And I put that sentence  
4 in there to say exactly that because he questioned it.  
5 I don't know how else to say it. He was going to  
6 receive the letter and he's troubled because he  
7 doesn't think my words are clear although I do. He  
8 says make them clear, I make them clear and I add a  
9 sentence that presumably then the guy receiving the  
10 letter understands what I'm saying.

11 MR. ROBINSON: The only sentence that you added  
12 indicated that your investigations were continuing  
13 in those areas?

14 MR. WHITE: Yes.

15 MR. ROBINSON: But that doesn't have anything to  
16 do with where -- with whether at that time you thought  
17 that the -- that your identification and correction of  
18 problems was satisfactory within the basis, the NSRS  
19 basis of their perception. You know just the fact that  
20 you are continuing to look in the perceptions, that's  
21 fine.

22 MR. WHITE: If I felt -- let me take the other side  
23 of that. If I felt that my letter was now saying in  
24 any way that I have looked at all these broad eleven  
25 issues - and as you said, they are very broad - and

1 on this little snapshot in time I somehow have  
2 magically determined that we are in absolute compliance,  
3 you know, I have looked at this, not just -- the whole  
4 thing and I have somehow magically determined that we  
5 are in compliance. Why would I want to go back and  
6 tell anybody I'm going to continue to look at them?  
7 It would be a closed issue. I would have said just  
8 the opposite. If I had meant that I would have said  
9 even to Mr. Denton, "I am not going to go back and  
10 look at those." That wasn't the intent, it wasn't  
11 what the letter says, it wasn't what he understood it  
12 to say, it wasn't what I meant. You know, these are  
13 very broad issues. There is a tremendous amount of  
14 information that's available. Put yourself in my  
15 position for a second. You have been in an organiza-  
16 tion for a couple of months and I have told you the  
17 amount of things I had going on. Would a reasonable  
18 person - and I consider myself reasonable - ever have  
19 said at that point in time, "I have really investigated  
20 all of these things." Taking the example of welding.  
21 With the knowledge <sup>that</sup> ~~of~~ TVA, had these people there for ~~for~~  
22 six months, they're going to be there another year.  
23 Why on earth -- How could I possibly say that I now  
24 magically know that all the welding is okay at Watts --  
25 I have no idea of knowing that. Zero. I only knew

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1 that part -- zero is an <sup>exaggeration</sup> ~~exaggeration~~ -- only knew that *EPW*  
 2 <sup>which the NSRS told us.</sup>  
 3 ~~part of the NSRS.~~ It's all we pursued and all we *EPW*  
 4 purported to pursue. That's all I was willing to  
 5 answer. I don't know how better to explain it.

6 MRS. BAUSER: Let's take a break.

7 MR. WILLIAMSON: We are off the record at

8 11:01.

9 Whereupon,

10 [There was a brief recess]

11 MR. WILLIAMSON: We are back on the record.

12 The time is 11:19 a.m.

13 MR. ROBINSON: Mr. White, the next series of  
 14 questions I have pertain to two areas that are relevant  
 15 to this investigation. One is corrective action and  
 16 the other one is the attitudes toward the NSRS people  
 17 as an entity and also the attitudes maybe towards  
 18 their director.

19 In late February 1986 - and this does not have  
 20 anything directly to do with the March 20 letter.

21 In late February 1986 Mr. Kermit Whitt came to you  
 22 and indicated - at least this is Mr. Whitt's testimony -  
 23 and indicatd that he made you aware of an NSRS major  
 24 management review of corrective action that had been  
 25 conducted in the summer of 1985. Do you recall any-  
 thing about any type of a conversation regarding that

1 review?

2 MR. WHITE: I --

3 MR. CHARNOFF: Are you going to show him Mr.  
4 Whitt's transcript?

5 MR. ROBINSON: No, I'm not.

6 MR. CHARNOFF: Well Mr. Whitt -- I mean I  
7 can't have Mr. White fly into your characterization  
8 of whatever it is that Mr. Whitt said. I'm not  
9 disputing it. I just can't have him -- can you  
10 show him that document?

11 MR. ROBINSON: If I am going to quote from  
12 Mr. Whitt's testimony --

13 MR. CHARNOFF: The question is independent of  
14 anything he said to you does he remember any encounter  
15 with Mr. Whitt?

16 MR. ROBINSON: Right.

17 MR. WHITE: It would be helpful if I could look  
18 at something.

19 MR. ROBINSON: This is a draft of that corrective  
20 action report and it's also -- in order to refresh your  
21 memory it is a letter dated August 6, 1986, from Kermit  
22 Whitt to you regarding this corrective action review  
23 and a letter dated September 5, 1986, from you to  
24 Mr. Seiberling, who was at that time the manager of  
25 the Nuclear Managers Review Group.

1 MRS. BAUSER: You were talking about in 1985.  
2 Is that an '85 review?

3 MR. ROBINSON: This is the original conversation  
4 that I was talking about, which occurred to the best  
5 of my knowledge in late February 1986 regarding this  
6 draft report and why it had not been published.

7 MR. WHITE: I think I know what you are referring  
8 to.

9 MR. ROBINSON: (Presenting document).

10 MR. WHITE: Yes, I'm familiar with this issue,  
11 I am not familiar with the specific document you have  
12 presented to me.

13 MR. ROBINSON: Do you recall ever having seen  
14 that thick draft report before?

15 MR. WHITE: No.

16 MR. ROBINSON: To the best of your recollection  
17 what transpired in that conversation in early 1986  
18 between you and Mr. Whitt?

19 MR. WHITE: I think my letter reflects it most  
20 accurately, the letter dated 5 September to Mr. Seiber-  
21 ling. But the thrust of Mr. Whitt's remarks about  
22 this ~~report~~ <sup>report was its</sup> -- it's a lousy report, I can't approve EDW  
23 it, some of it's bad information and some of it's  
24 outdated, I just don't want to send it to you. As I  
25 said, a lot of <sup>other</sup> things ~~are~~ <sup>were</sup> going on. And a manager EDW

1 comes in and says that, you say, "Okay, then don't  
2 send it." I didn't attach any specific significance.  
3 You know, if you were to -- you can go back and ask  
4 did I know it was a corrective action report. I'm  
5 not sure from my memory I could tell you without this  
6 letter if that was the subject.

7 MR. ROBINSON: Do you recall asking him if there  
8 were any significant items that you should be looking  
9 into even though that report was not going to be published  
10 at that time?

11 MR. WHITE: I don't recall. My recollection of  
12 the conversation is kind of what I said. A manager comes  
13 in and -- in fact almost puzzling to have a manager come  
14 in and say, "I've got this lousy piece of paper and  
15 it's so lousy I don't want to send it to you." What  
16 would you say? "Don't send it then." Understanding  
17 the volume of all the other things I had going on, I  
18 don't recall any specific discussion other than that.

19 MR. ROBINSON: Do you recall any discussion  
20 regarding doing a corrective action review in the  
21 near future to update some of the outdated information  
22 in that old review?

23 MR. WHITE: No. The next thing that I really  
24 remember is really getting angry when I got this  
25 August 6 memo. And I'm not angry with Mr. Whitt. But

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1 when I read the part that said -- he's talking about --  
 2 you know, he and others have been trying to get a  
 3 review of the corrective action initiated in -- and  
 4 then it says, "Our efforts have not been successful,"  
 5 which indicated to me that somewhere in the system  
 6 there was opposition and the thrust of this was, you  
 7 know, there is something important here to do. And I  
 8 got quite angry with the system and that's the reason  
 9 I wrote an -- you know, pretty immediate in terms of  
 10 what we do -- response. And by the way, I never know --  
 11 It's dated August 6 and I don't know when I received  
 12 it. But clearly on September 5, you know, ~~he~~<sup>I</sup> told this *Edw*  
 13 guy, "Get on with this thing," and, as I said, the  
 14 corrective action system is an essential and important  
 15 *part of* ~~of~~ our nuclear recovery program. And to "go back" and *Edw*  
 16 review the earlier work by the NSRS, <sup>which</sup> should be incorporat-*Edw*  
 17 ed as appropriate, which I -- I was angry with something  
 18 that certainly by the September timeframe ~~appeared~~<sup>appeared</sup> to me  
 19 to be unresolved. I don't like unresolved things to sit  
 20 around.

21 MR. ROBINSON: Did Mr. Siberling after he took  
 22 over as the manager of the NMRG, Nuclear Managers  
 23 Review Group, ever suggest to you doing a corrective  
 24 action review?

25 MR. WHITE: I don't --



1 MR. ROBINSON: Prior to your September letter  
2 to him?

3 MR. WHITE: I don't recall specifically anything  
4 like that, no.

5 MR. ROBINSON: Going back now to the time of  
6 Mr. Whitt's conversation with you in early 1986,  
7 regarding the nonpublishing of that report, TVA's  
8 corrective action system was a major issue in your  
9 mind at that time, wasn't it?

10 MR. WHITE: I wouldn't have considered I don't  
11 think at that point in time that as a major issue.  
12 I had lots of issues of greater significance in  
13 February than this, than the corrective action system.

14 MR. ROBINSON: Even though the corrective  
15 action review appeared to have been a little outdated  
16 and perhaps the report as yet a little unorganized,  
17 why were you willing to let this report go unissued?

18 MR. WHITE: I think it's best reflected in my  
19 September <sup>letter</sup> which deals with that conversation really. *Edw*  
20 Mr. Whitt had impressed on me that the quality of the  
21 report and that it was incomplete and inaccurate. He  
22 said, "I've got this lousy piece of paper and I don't  
23 want to send it to you." I wish my managers would do  
24 that because I get a lot of lousy pieces of paper  
25 forwarded to me. Here's a guy coming in and saying,

1 "I've got a lousy piece of paper." With everything else  
2 I was doing why would I reasonably be expected to tell  
3 him to send it to me anyhow because I have all this  
4 spare time, you know?

5 MR. ROBINSON: Do you specifically recall him  
6 saying that the results of the report were inaccurate  
7 or did he tell you that it wasn't in an organized,  
8 readable form?

9 MR. WHITE: Both. This <sup>September letter</sup> is an accurate reflection <sup>of it</sup>  
10 of my recollection of the conversation. Both and more  
11 I should say. The quality of the work.

12 MR. ROBINSON: Do you recall making any kind of  
13 commitment to Mr. Whitt that you would do another  
14 corrective action review in view of the fact that  
15 the report was not going to be published?

16 MR. WHITE: I don't recall specifically but  
17 it would not have been out of character for me to have  
18 said at that point, "Well you need to get on and do  
19 something about it," or I may have said, "What do you  
20 intend to do about it?" that kind of thing.

21 MR. ROBINSON: So it could have been possible  
22 that you might have -- might have committed to that?

23 MR. WHITE: Committed? It certainly would have  
24 been impossible for me to inquire of him as to when  
25 he was going to present his report and how he was going

1 to do it and that kind of thing. I wouldn't do that  
2 as a commitment on my part because frankly -- well I  
3 wouldn't have done that.

4 MR. ROBINSON: I'm going to ask you a hypothetical  
5 question now. If Mr. Whitt had not sent you that letter  
6 in August of 1986 do you think NMRG ever would have  
7 conducted a corrective action review?

8 MR. WHITE: Ever?

9 MR. ROBINSON: Well --

10 MR. WHITE: Yes, I think clearly so. Mr.  
11 Seiberling, who replaced Mr. Whitt, was a good manager.  
12 As I said, I don't recall him ever saying that he  
13 wanted to do this but I certainly dealt with him  
14 frequently enough that I had plenty of things for  
15 that group that I wanted them to look into, an  
16 independent body, independent TVA line organization.

17 MR. ROBINSON: Now you --

18 MR. WHITE: He was a good enough manager that at  
19 some point in time this thing would have been on the  
20 list. We would sit down and discuss some possible  
21 things that we want to do after we are through with  
22 this one or these and then we'd look at the list. We  
23 could never do everything on the list. So we'd have to  
24 prioritize the thing and say, "This is more important  
25 than this and this and this," or, "We prefer to do this."

1 MR. ROBINSON: Do you remember corrective  
2 action being on that list?

3 MR. WHITE: No. It may have been. I don't  
4 recall. If it was -- there were items of higher  
5 priority that had to be done. I'm not saying it  
6 was or was not on the list.

7 MR. ROBINSON: At what point in time did  
8 Mr. ~~Stier~~ <sup>Stier</sup> complete his investigation of NSRS? Do EJW  
9 you recall that?

10 MR. WHITE: No. The best I can recollect I  
11 would say it was in late March or April, in that  
12 timeframe, that he was --

13 MR. ROBINSON: Do you recall the conclusions  
14 of that report with respect to NSRS as an organization  
15 or Mr. Whitt as an individual director?

16 MR. WHITE: I'll do my best.

17 MR. CHARNOFF: Do we not have the document?

18 MR. WHITE: I don't object to giving them my  
19 impressions. The document itself would be the best  
20 evidence, so I am giving you my recollection.

21 There were weaknesses in the management, the  
22 organization. There was much internal strife within  
23 the organization. That the training program -- they  
24 went through ~~the~~ <sup>was</sup> pretty good -- that the reports were  
25 pretty good. I'm talking in general terms now. And in

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general their people were pretty good at what they were doing; that it would be best to move the organization to Chattanooga and to cut it I think roughly in half; and I think despite the fact - I may be wrong - that of course he confirmed my own view as to the competence of these guys saying that in general they were good. I think he nevertheless said that <sup>we</sup> ~~he~~ needed a better screening process where <sup>we</sup> ~~he~~ put people in <sup>this</sup> ~~the~~ kinds of work. There may be other things but I don't remember.

EDW

EDW

MR. ROBINSON: Was it your decision to reorganize NSRS as NMRG and move it to Chattanooga?

MR. WHITE: Yes. It was confirmed by the board of directors, approved by the board of directors.

EDW

MR. ROBINSON: Was it your decision to hire Mr. Seiberling as the director of NMRG?

MR. WHITE: Yes, it was.

MR. WHITE: And how much of a factor in that decision was Mr. ~~Steer~~ <sup>Stier</sup>'s report?

EDW

MR. WHITE: It certainly was a factor. Many of the things that Mr. ~~Steer~~ <sup>Stier</sup> came up with, as I say, confirmed what I felt but I felt more comfortable because I had an independent outsider - always depend on more than one source of information - so I felt more comfortable with that. Certainly it was a piece to that. I would have to freely admit that the <sup>D</sup> ~~Depart-~~ <sup>ment</sup>

EDW

EDW

1 ment of labor inputs to me were part of that decision *ELW*  
2 too. I mentioned yesterday I spent a lot of time with  
3 them and they gave me quite an insight into the  
4 organization.

5 MR. ROBINSON: Do you have some other questions,  
6 Dan?

7 MR. MURPHY: I was out of the room, so maybe  
8 this is redundant but do we kind of agree that that  
9 conversation with Mr. Whitt did take place sometime  
10 in February of 1986?

11 MR. WHITE: I don't know at what time Mr. Whitt --  
12 Mr. Whitt's paper says on or about February 26. Yester-  
13 day we reviewed a couple of documents that indicates  
14 that perhaps he wasn't always precise in his dates.  
15 But certainly such a conversation took place early  
16 in the year. If someone said could it have taken place  
17 in early April, I would have said yes. I'm not that  
18 definitive about the date.

19 MR. MURPHY: And what was your opinion of the  
20 corrective action program at the time you were approached  
21 by Mr. --

22 MR. WHITE: I don't recall specifically. It was  
23 one of many, many things that needed to be improved. I  
24 don't think at that point in time I had gotten into it  
25 in any depth at all to decide on what and how to do it. In *ELW*

1 fact it wasn't until months later -- it hasn't been --  
 2 it was really early this year and understand that  
 3 although it's important I have to prioritize everything  
 4 and it has been really this year since my return that  
 5 I have put tremendous pressure on the system with  
 6 regard to that program. That didn't mean that it *didn't even*  
 7 ~~come~~ <sup>come</sup> up earlier or <sup>wasn't</sup> discussed or anything else. I'm *aw*  
 8 just saying that it was much after that *it was prioritized, etc*

9 MR. MURPHY: This is again Volume One to the  
 10 Nuclear --

11 MR. WHITE: Yes.

12 MR. MURPHY: And on page 134 you talk there  
 13 about improving the TVA's Nuclear Corrective Action  
 14 Program. Do you recall that?

15 MR. WHITE: I don't -- I don't recall the -- the  
 16 volume obviously I recall and I recall a general review  
 17 of the thing. If you're asking do I recall specific  
 18 words, no. But in reading it I don't have any problem  
 19 with saying at the time that work needed to be done.

20 MR. MURPHY: Maybe I didn't read them paragraphs  
 21 right but are them paragraphs indication that you were  
 22 not satisfied with the corrective action program and  
 23 needed some improvement?

24 MR. WHITE: Maybe when you were out we discussed  
 25 that but this was one of many, many issues that I knew

1 had to be faced. TVA had been -- I think it was very  
2 common knowledge that TVA didn't always correct things  
3 in a prompt way, they didn't always do what they told  
4 the NRC they were going to do. So I knew those things  
5 had to be fixed. I knew that probably in the February  
6 timeframe. I'm just saying that the term of prioritiza-  
7 tion of when and how you put pressure on the system to  
8 do that depends on a lot of other things that ~~were~~<sup>were</sup> *etc*  
9 doing. I'm not trying to diminish the fact that it  
10 was a problem that I knew about.

11 MR. MURPHY: You were aware of some decision --  
12 some deficiencies at least in the corrective action  
13 program? Or let's say it this way: It didn't meet  
14 your standards?

15 MR. WHITE: Clearly it did not meet my standards.

16 MR. MURPHY: Did you have this feeling about  
17 meeting your standards when Mr. Whitt came to see you?

18 MR. WHITE: I don't recall specifically when he  
19 came to see me. It's hard for me to say I did or didn't.  
20 I don't remember whether I knew at that time, had the  
21 feeling at that time, whenever that time was. I  
22 certainly knew that this was something that had to be  
23 resolved and I certainly knew it would be hard to  
24 resolve.

25 MR. MURPHY: Did you know this before the March 20,



1 1986, letter?

2 MR. WHITE: Did I know that it was a problem? Yes.

3 MR. MURPHY: Thank you.

4 MR. ROBINSON: I was going to summarize my  
5 area of questions now. Do you have any questions  
6 before I do that, Mark?

7 MR. REINHART: I have a couple on your area,  
8 yes.

9 Mr. White, if we could go back to Mr. Whitt's  
10 conversation with you, when he brought in that  
11 corrective action report being the skeptical person  
12 that you are didn't it kind of strike you funny that  
13 here a manager comes in and says, "I have this big  
14 report and it's no good and I don't want to issue it  
15 to you."?

16 MR. WHITE: It's puzzling, yes.

17 MR. REINHART: What did you do to resolve that  
18 puzzlement?

19 MR. WHITE: I specifically don't recall but  
20 as I said it would have been in my character to have  
21 not just let the thing die because if there was a  
22 report and for some reason it was lousy -- and you  
23 have to understand Mr. Whitt also, as a manager,  
24 but it would have been in character for me to have  
25 said, "Well what are you doing about it?" or, "What

*Do you recommend going*

~~are you going to do~~ about it?" A frequent phrase

ERW

that I use: "What do you recommend be done?" If I wasn't satisfied with what he said, then I might have given him direction. I don't remember the conversation but I wouldn't just have said -- I wouldn't have just waved him out of the room.

MR. REINHART: Back when we talked about -- we had a lot of discussion here about Mr. Whitt's comments that the NSRS people themselves were not in agreement with the responses to the technical issues.

MRS. BAUSER: Are you talking about the March 20 letter now?

MR. REINHART: Yes.

Did you let that just stand like that? Did you do anything to follow up or resolve that?

MR. WHITE: Not at that time. I viewed the thing as a management issue. I think at that time I made the mental decision that I really need to sit down and talk with the NSRS people and part of that wasn't just -- and I don't believe it was just that issue because it was -- it incorporated information that I was gaining from the Department of Labor. Nor do I know at that specific time because I think subsequent to that I had Mr. ~~Scott~~<sup>Stie</sup>'s report which reaffirmed some of my perceptions. And, so, it was

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1 another one of these things where I felt there are  
 2 in general some good people in here. There are  
 3 some people, good people who generally do good work,  
 4 who for whatever reason have been fought by the line  
 5 organization, have been unsuccessful in having TVA  
 6 change like they felt it should. I just felt that  
 7 there must be some way in which I could help that  
 8 situation.

9 In one of the earlier questions about my  
 10 attitude towards NSRS, I should add that I have  
 11 publically stated on many occasions - and this perhaps  
 12 gives the best view of how I felt ~~about~~ <sup>about</sup> in general, that ~~Edw~~  
 13 organization - I have ~~publically~~ <sup>publicly</sup> stated that if TVA ~~Edw~~  
 14 had listened to the NSRS between about 1980 and 1985  
 15 that I, Steve White, would never have been at TVA. And  
 16 I -- I'm trying to answer fully my mental attitude  
 17 toward the organization, which part of it was of course  
 18 I've got a problem. I'm convinced of one thing. I am  
 19 not -- somehow I have to get that organization to be  
 20 productive. I can use their output. I have got to get  
 21 the output to be productive.

22 MR. REINHART: When you say at that time period,  
 23 from the time you talked to Mr. Whitt to the time the  
 24 March 20 letter went out that just stood and was not  
 25 resolved based on the reasoning that you just gave?

1 MR. WHITE: It's hard for me to climb back  
 2 particularly timewise into when I felt what that long  
 3 ago. I'm trying to give you my thoughts as best I  
 4 can recollect. No specific action was taken as a  
 5 result of Mr. Whitt saying, "I'm in agreement with  
 6 this letter." But as I remember he said there were  
 7 a few people -- in other words he was not saying to  
 8 me the body, the NSRS doesn't agree. He was saying  
 9 quite something different. He was saying, "I agree  
 10 but there are a few who do not agree." That is the  
 11 thrust. Obviously, as we discussed yesterday, well  
 12 over a month later I found out the funny business, the  
 13 changes, what he had signed in my presence by having  
 14 someone else write in and not dating it and the rest  
 15 of that.

16 MR. REINHART: When you say a month later do you  
 17 mean a month later than March 20?

18 MR. WHITE: Yes, we decided that probably the  
 19 first time I saw that was late April or perhaps early  
 20 May. And that may have been part of my thought  
 21 process that caused me to refocus on the NSRS <sup>-- by then</sup> ~~then~~  
 22 <sup>I was called NMRB</sup> ~~the NMRG~~. I'm not sure, but certainly focus on what <sup>EWJ</sup>  
 23 I viewed as a lack of teamwork going on in that <sup>SPW</sup>  
 24 organization.

25 Subsequently by the way proven by a number of

1 other investigations.

2 MR. REINHART: Do you know today how those  
3 individuals feel toward that response? Are they  
4 now in agreement? Do they still have the same  
5 feelings that --

6 MR. WHITE: I have no direct knowledge of that.

7 MR. REINHART: Just so that we are clear of  
8 your impression of the May 16 letter, we discussed  
9 that, but when you read the May 16 letter how did you  
10 feel the NRC felt about the March 20 letter?

11 MR. WHITE: I felt that it was, as I recall,  
12 that it was an acknowledgement of what I had told them  
13 on the telephone as well as what the letter said. They  
14 understood the situation. I was puzzled by at least  
15 two things in the letter. One is that it appeared  
16 that the NRC was changing the question from the January  
17 question. It appeared they were now broadening this  
18 somehow and I didn't understand basically how and I  
19 frankly didn't know how to come to grips with it. But  
20 the second paragraph broadened the issue, that I felt  
21 it was a different question they were addressing. The  
22 other thing that was puzzling was why they felt that  
23 my request to withdraw the <sup>per se TVA request for a license</sup> ~~license~~ was a related matter EK  
24 to the March 20 letter.

25 MR. REINHART: Could you amplify on where you felt

1 that question was broadened?

2 MR. WHITE: In the second paragraph where it  
3 says, you know, we want to look at your -- wait for  
4 your employee concern program, those three paragraphs,  
5 evaluation, resolution, numerous allegations received  
6 by the NRC. We were now not talking -- they were now  
7 not saying we are asking you whether you are in compliance  
8 as of that date. It looks to me like the question was  
9 shifting to have you always been in compliance and that  
10 had never been the thrust, never been the -- I was  
11 very puzzled by that.

12 MR. REINHART: I'd like to draw --

13 MR. WHITE: My lawyer points out, although I  
14 think my answer is clear -- but the first letter, as  
15 we discussed earlier, was on the basis of issues  
16 identified. It was a very narrow thing. What I mean  
17 by changing the question is that now <sup>it</sup> did not become *EXW*  
18 something that was based on what these people told Mr.  
19 Asselstine, what facts they had to back up what they  
20 told him. It was now the universe if I can use that  
21 phrase, which was, you know -- my God, that has never  
22 been asked. So I saw that somehow it was changing, but *EXW*  
23 how I <sup>didn't</sup> ~~don't~~ know, but certainly it was much broader. *EXW*

24 MR. REINHART: Part of my function here is to  
25 try to see that I understand what you are telling me.

1 what you addressed. But I'll draw a picture. If  
2 you agree, find; if not, please tell me (Drawing).

3 If we have QA -- there is the little "q" little  
4 "a" program, qa, for those that like to make the  
5 distinction. That to me is everything that is in a  
6 qa program, the written document, implementation of  
7 the document, the hardware affected by the document,  
8 the people implementing the program, everything. NSRS  
9 perceptions, the bullets presented to Mr. Asselstine,  
10 the broad -- it crossed some portion of the qa program.  
11 And I am not trying to say that is a correct proportion,  
12 just some portion. Not the entire qa program, just  
13 some of it. And perceptions (Drawing). But a broad  
14 statement. Later NSRS came up with what we will call  
15 bases for the perceptions (Drawing).

16 MR. WILLIAMSON: You need to explain for the  
17 record what you are doing.

18 MR. REINHART: I will.

19 For the record what I am trying to do is illustrate  
20 a box. The box represents the qa program, which includes  
21 the written document, the implementation of that docu-  
22 ment, or documents, procedures, et cetera, hardware  
23 that would be encompassed or affected by that program,  
24 the people that would implement the program.

25 MR. CHARNOFF: Affected by the program, Mark,

1 means all safety related equipment in the nuclear  
2 power plant? Is that within the program under your  
3 definition? Very big box. Is that what you mean?

4 MR. REINHART: It would include safety related  
5 equipment in some peoples' minds to some extent and --  
6 and to some extent it would include everything --

7 MR. CHARNOFF: Do you mean though --

8 MR. REINHART: Everything in the plant that  
9 might be touched by the qa program.

10 MRS. BAUSER: This is your definition? This  
11 is what you are defining the box as?

12 MR. REINHART: I'm saying that is what this  
13 box is.

14 MR. WHITE: I'm not writing notes as you talk  
15 about what it encompasses and what it doesn't include.  
16 So --

17 MR. REINHART: This is just a big universe,  
18 qa program. I'm saying this little slice is a portion  
19 of that universe that the NSRS perceptions impacted.  
20 Not the whole universe but a part of it and a broad  
21 part of. Don't know what percent. After the presenta-  
22 tion of the NSRS perceptions some bases were developed  
23 for the perceptions. I'm not saying the bases are  
24 right or wrong, I'm saying this is what they said.

25 Now this is what I want to ask you: I understood



1 from what you told us so far that really the thrust  
2 of your letter said that, "We looked at these bases,  
3 we have looked at them. Based on our investigation  
4 of these bases, not anything here or here or here  
5 (indicating) but primarily these bases, and based  
6 on that investigation we are saying our program is  
7 in overall compliance.

8 MR. WHITE: That seems correct from what I  
9 understand. I think you have an understanding.

10 MR. REINHART: Okay. That is all I wanted to  
11 clarify.

12 Whereupon,

13 [Reinhart Exhibit No. 1 was  
14 marked for purposes of  
15 identification]

16 MR. CHARNOFF: That's bases and not basis.

17 MR. REINHART: Yes, meaning more than one basis  
18 for each perception.

19 MR. MURPHY: And for the record you agree that  
20 the diagram that we have here basically --

21 MR. REINHART: Let's let Mr. White look at it too  
22 so that he can --

23 MR. CHARNOFF: And subject to the qualifications  
24 that Mr. Reinhart made, that those proportions are  
25 not intended to be proportional.