

1 MR. MURPHY: Sure.

2 MRS. BAUSER: And also that that is his view
3 of the universe as to the qa program and all that.
4 We never got into a discussion about whether that's
5 right or...

6 MR. WHITE: I'm not sure what large QA means
7 versus your description of small QA, but we'll let
8 that pass.

9 MR. REINHART: We'll make it small QA.

10 MR. WHITE: I'm not sure what the two definitions
11 are.

12 MR. REINHART: Some people get very excited
13 about that, about the difference.

14 MR. REINHART: When your people were looking at
15 this did they use the QA Audit Program to verify
16 implementation?

17 MRS. BAUSER: I'm going to ask for a clarification.
18 When your people -- who are looking at this and what --
19 I don't understand.

20 MR. REINHART: When Mr. White's staff was doing
21 whatever investigation effort they did in resolving
22 this issue --

23 MRS. BAUSER: Meaning leading to the March 20
24 letter?

25 MR. CHARNOFF: The Appendix B inquiry.

1 MR. REINHART: Right. That's what we're
2 talking about.

3 MRS. BAUSER: The issue is much broader.

4 MR. REINHART: Did those people use the QA,
5 the TVA QA Audit Program to verify compliance in
6 these areas that were addressed by the --

7 MR. WHITE: I don't recall. They may or may
8 not have.

9 MR. REINHART: Would you have expected them to?

10 MR. WHITE: At that point in time frankly I
11 don't think I was knowledgeable enough to have either
12 expected or not expected them to look at the audit
13 program.

14 MR. REINHART: How about today?

15 MR. WHITE: Today what?

16 MR. REINHART: Would you expect on a similar
17 exercise to have QA audits used to verify implementation?
18 As part of the verification?

19 MR. WHITE: In terms of -- back to the hypothetical
20 thing. If I were answering this narrow question today,
21 would I think that they would use audit information
22 as part of that. I guess they might or might not. It...

23 I can best perhaps answer it by saying that I
24 would expect them to use whatever information was germane
25 to whatever they were trying to answer.

1 MR. REINHART: Would a QA Audit Program be a
2 germane piece of information to demonstrate implementa-
3 tion of the QA Program?

4 MRS. BAUSER: That's a different question than
5 the one you asked him before.

6 MR. REINHART: I know.

7 MR. WHITE: Say that again, please?

8 MRS. BAUSER: So you are asking a general question
9 that has nothing to do with any of your prior questions.
10 He changed the ball game considerably.

11 MR. REINHART: I think I'm not going to let you
12 qualify it to that extent. I'm going to say it's a
13 different question. It's certainly germane to what we
14 are talking about.

15 MRS. BAUSER: The question itself says would
16 Mr. White on any matter consider that -- if you don't
17 qualify it, Mr. Reinhart, that is the meaning of the
18 sentence.

19 MR. REINHART: Let me ask Mr. White my question
20 again. If he doesn't understand, maybe he can say so.

21 Wouldn't it be reasonable to use the QA Audit
22 Program to demonstrate or verify implementation of
23 the QA Program or portions thereof?

24 MR. WHITE: It would be reasonable to -- it
25 would be one of the tools that a person might use. It

1 would depend on what you are looking at and the facts
2 and circumstances of it. Certainly part of it -- for
3 example, if there was a question as to whether the
4 audit system was correct, clearly you'd go look at
5 the audit system to determine if it was correct. If
6 it were some other part, then you might use some other
7 information. You might in some cases, you might not
8 in others. It would depend on the facts and the
9 circumstances, exactly what you were looking at.

10 MR. REINHART: If that's the answer, that's
11 the answer. If that's the answer, fine. I don't
12 want to pursue that is what I'm saying.

13 That's all I have.

14 MR. ROBINSON: Just a couple of things before
15 we break for lunch. I'm glad Mr. Reinhart decided
16 to do that diagram because that is exactly what
17 I was going to try to narrow down and define as far
18 as what you viewed as the scope of your answer, in
19 that response in the March 20 letter.

20 Let me ask you this, Mr. White: At anytime
21 in your discussions with your senior advisors regarding
22 the March 20 letter or its attachments did anyone
23 espouse the position that as long as the corrective
24 action system was working is working that you can't be
25 in noncompliance?

1 MR. WHITE: I don't recall that being discussed
2 with me.

3 MR. ROBINSON: In your telephone conversation
4 with Mr. Denton did you make it clear to him the
5 scope of your response as represented by Mr. Reinhart's
6 not specifically Mr. Reinhart's pictorial demonstration
7 but did you make it clear to Mr. Denton the scope of
8 your response pertaining to the NSRS bases for the
9 perceptions and not just the perceptions themselves?

10 MR. WHITE: I believe that I did because as I have
11 mentioned I read the entire letter. To my recollection
12 I read the entire basic letter to him word for word and
13 I think he asked questions at various points and I
14 feel certain that when I ~~talked~~^{talked} about issues identified
15 in the NSRS perceptions that that was made clear.

16 MR. ROBINSON: If I were to read the letter and
17 interpret the letter on its face on the basis of the
18 review of the issues identified in the NSRS perceptions,
19 I would interpret that to be the general, broad issues
20 that were stated in the perceptions. What I am asking
21 you is in your conversation with Mr. Denton do you feel
22 it was clear to him that you were talking about that
23 smaller area within the perceptions that we have identi-
24 fied as the NSRS bases for those perceptions?

25 MR. CHARNOFF: Before you answer that, Mr. White,

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1 I appreciate what you said as to your reading without
2 accepting the premise. But that is the correct reading.
3 For example, one could have that sentence read on the
4 basis of the -- of a review of the NSRS perceptions.
5 ~~read~~ ^{Then your} reading would be exactly right. But then you Ekw
6 have to ask yourself what is the point of the words
7 "the issues identified in the NSRS perceptions." So
8 without regard to excepting or disagreeing with your
9 words, he -- your question was to what extent did he
10 get into the meaning of these words in this first
11 line with Mr. Denton? Is that what you're saying?

12 MR. ROBINSON: Yes. I'm asking do you feel from
13 your conversation with Mr. Denton that it was clear
14 to Mr. Denton that you were talking about the subset
15 within the NSRS perceptions, namely the bases for
16 the perceptions?

17 MR. WHITE: I think I understand the question.
18 In my notes of the conversation with Mr. Denton --
19 unfortunately they are not complete enough for me to
20 utilize them. I can only tell you my recollection is
21 that he did understand and not just from the basic
22 letter. But I believe we discussed parts of the
23 enclosures and as you look through them and the one
24 that was brought up yesterday, design control as a
25 perception, it's very clear that it's a broad issue

1 in that three separate paragraphs -- no reasonable
2 person could assume that those three paragraphs
3 describe any more than what I just said and that is
4 answering what the NSRS is providing as facts. It
5 would not be reasonable to assume by anyone that
6 those three short paragraphs are telling everything
7 everyone knows that ever happened to TVA on design
8 control. My recollection is that it was clear to Mr.
9 Denton, yes. My recollection is that he understood
10 that.

11 MR. ROBINSON: Okay, now a different question.

12 MR. CHARNOFF: Before you leave that could I
13 ask Mr. Reinhart a question.

14 In your pictorial diagram the way you have the
15 word "bases" suppose the word "bases" was replaced
16 by the word "issues." Would the diagram mean the
17 same thing to you?

18 MR. REINHART: I put the word "bases" there
19 because that's the word you all have been using. So
20 whatever -- the bases I would use as the basis for
21 each perception.

22 MR. WHITE: That is a very valid point because
23 I am reading it as issues in the context of the letter
24 and it's a very valid point.

25 MR. MURPHY: Could I interject something. What

1 if we say them are QTC's concerns or NSR's concerns
2 in the very specific sense because, you know, they
3 have been identified in the documents you gave us
4 as QTC number. Is that --

5 MR. WHITE: No. If I wanted to be very specific with
6 you I would label that box rather than issues -- issues
7 is appropriate -- but I would label as facts presented
8 or facts -- facts the NSRS used to substantiate their
9 perceptions. That would be a very accurate description.

10 MR. REINHART: That is more clear to me. So
11 facts used to substantiate --

12 MR. WHITE: Facts provided to the outside groups
13 to substantiate their perceptions.

14 MR. REINHART: Okay. That's fine.

15 MR. CHARNOFF: Mr. White, in the context of your
16 letter --

17 MR. WHITE: Issues.

18 MRS. BAUSER: Which would include as Mr. Murphy
19 suggested some QTC issues and other things, whatever
20 it was that NSRS facts were it would have included
21 that and not necessarily all of QTC OR anything else.
22 It was whichever ones that NSRS was turning to.

23 MR. MURPHY: What is -- what I am suggesting to
24 you is that as you go through we will later on the
25 investigation by the line organization -- they refer

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1 to specific -- what appear to me anyway in my limited
2 knowledge about how that system was working -- to
3 be QTC allegations. And if that is included in the
4 facts as opposed to -- what I want to suggest is that
5 we are also dabbling in opinions of NSRS. I mean
6 if you went to them people and said, "What is your
7 opinion of this particular situation as opposed to
8 factual basis, right? I mean because these guys
9 have been around in TVA for quite some time and have
10 some opinions about whether these areas were good
11 or bad. We're not talking about that, are we?

12 MR. WHITE: I'm not sure what your question is.

13 MR. MURPHY: I'm trying to define this thing
14 that you investigated, right?

15 MR. WHITE: That the people investigated.

16 MR. MURPHY: The basis, right? The basis for
17 this. But if facts is suitable for you, fine. What-
18 ever.

19 MR. WHITE: I think we are talking the same but
20 I'm not sure. If -- may I draw on your diagram?

21 MRS. BAUSER: Sure.

22 MR. WHITE: If in the process of going to the
23 NSRS -- the NSRS -- there is a fact here, which they
24 may have known about, and they didn't provide that
25 information as supporting that perception, I have

1 no reason to believe that that was investigated and
2 pursued. It may have been but I have no reason to
3 expect it because that isn't what I believe they were
4 doing.

5 MR. ROBINSON: Do you --

6 MR. REINHART: And when you say fact -- we meant
7 fact versus opinion. Like, "Oh, I just feel today
8 like this is wrong." That's really not what --

9 MR. WHITE: No. I'm discussing facts, what is
10 it that substantiates your perception. An opinion I
11 don't think substantiates an opinion -- a perception.
12 A perception is an opinion. Okay?

13 MR. MURPHY: Maybe we can narrow this down after
14 our lunch break. I'll bring some documents so that
15 you will know what I'm talking about as opposed to us
16 asking as to what these facts are.

17 MR. ROBINSON: I have one final thing.

18 Mr. White, if you had not called Mr. Denton and
19 gone through this letter and, as you say, you have
20 been accused of shopping and that is not correct,
21 shopping for an answer. But if you had just answered
22 the NRC question by this letter and had sent it without
23 contacting Mr. Denton and explaining it, do you feel it
24 would have been just as clear as if you had called him?

25 MR. WHITE: I think the letter speaks for itself,

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1 yes. Remember I said it was more than just understanding.
2 I wanted to make sure that we were being responsive to
3 what he was asking. And I want to repeat that I do not
4 think that that is wrong on either part, on either
5 part, his nor mine.

6 MR. ROBINSON: So with just the sense that you
7 wanted to be responsive and not that you had a fear that
8 they might misunderstand the letter unless you called
9 in advance and explained it?

10 MR. WHITE: No, I -- no, that wasn't the motive.

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

12 MR. REINHART: Mr. White, just so that we are
13 all crystal clear, we have been talking about a lot of
14 conversations with Mr. Denton. That was Mr. Denton and
15 not somebody else?

16 MR. WHITE: First of all, not a lot. We have been
17 talking a lot about a couple of conversations with Mr.
18 Denton in this regard. Not a lot. But yes, that was
19 with Mr. Denton.

20 MR. CHARNOFF: Mr. White, do you know whether
21 Mr. Denton had other people listening in on that phone
22 call?

23 MR. WHITE: I have no way of knowing whether he
24 did or didn't.

25 MR. WILLIAMSON: The time is 12:16 and we will

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recess for lunch and reconvene at 12:45.

Whereupon,

[The above-entitled matter was recessed for
lunch]

-o0o-

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:

The Investigative Interview under oath of: STEVAN A. WHITE

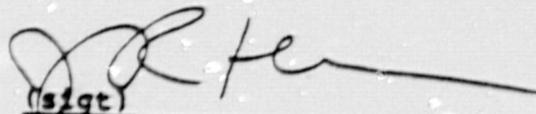
In the matter of: TENNESSEE VALLEY AUTHORITY

DOCKET NO.: 10CFR-50, APPENDIX B

PLACE: 101 Marietta Tower, Atlanta, Georgia

DATE: Wednesday, July 15, 1987 (Morning Session)

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



(sigt)

(TYPED)

J. R. HUCKS, III

Official Reporter

Reporter's Affiliation

AAA REPORTING COMPANY, INC.

A P T E R N O O N S E S S I O N

1
2 MR. WILLIAMSON: We're back on the
3 record at 13:07.

4 MR. CHARNOFF: Off the record.
5 (Whereupon, a discussion ensued off
6 the record.)

7 MR. WILLIAMSON: We're back on the
8 record again at 13:07.

9 Mr. Murphy has some questions.

10 EXAMINATION

11 BY MR. MURPHY:

12 Q Mr. White, as I suggested prior to our
13 lunch break that I have had the opportunity to
14 look at those -- the documentation that TVA
15 furnished us associated with their investigation,
16 which they identified as their investigation of
17 the NSR's perceptions. And what I would like you
18 to do, if you would, is -- I picked one out here.
19 It's No. 10, it's a non-conformance reporting, it
20 does not address the corrective action, and I
21 have just two real questions about it.

22 First off would you look at this,
23 please? Take that label off.

24 MS. BAUSER: Can I ask a clarifica-
25 tion? Is this labeling part of what you

1 were given from TVA?

2 MR. MURPHY: Absolutely, yes.

3 THE WITNESS: Do you want me to go
4 through the whole thing?

5 BY MR. MURPHY:

6 Q Whatever you --

7 A Are you going to ask me some questions
8 about it?

9 A I'm going to ask you whether or not
10 you've ever seen that document before.

11 A No. No, I haven't. No, I don't recall
12 ever having seen anything in this form.

13 Q Okay. Before you separate that --

14 A Executive summary, for example. I
15 don't know what that means.

16 Q There's a list -- excuse me. There's a
17 list there of -- this document tells of a
18 breakdown of kind of the concerns that were
19 given. There's a number on the top there,
20 EX85003-003. Does that number mean anything to
21 you at all?

22 A No. No, it doesn't.

23 Q Would you recognize that as a QTC
24 number?

25 A No, I would not.

1 MR. MURPHY: Okay. I have no other
2 questions.

3 THE WITNESS: You say you do have
4 other --

5 MR. MURPHY: No, I don't.

6 THE WITNESS: Before we start may I
7 discuss Mr. Reinhart's box, if I can refer
8 to it as that so that I'm sure that we are
9 in an understanding of what it is that
10 I'm saying and that that's what you're
11 saying.

12 Is the question that I was asked is
13 that small box, and I think I made this
14 clear but I want to make certain, and
15 that as a result of pursuing that small
16 box, if I can use that phrase, the people
17 investigating it found no evidence of non-
18 compliance when they did that. And, of
19 course, that is based on Mr. Lundin's
20 letter to me, ^{or rather} ~~based on~~ Mr. Mason, I think SKW
21 it was, but which I was knowledgeable
22 about.

23 I want to make sure that we were --
24 that you understood what I was saying. I
25 think you did but I clarified it.

EXAMINATION

1
2 BY MR. WILLIAMSON:

3 Q Mr. White, if you would, please, direct
4 your attention to the third paragraph of the
5 March 20th, 1986 --

6 A This came out of that pile.

7 The third paragraph, yes.

8 Q Reading from the letter: Although the
9 enclosure shows that a broad range of corrective
10 actions is already in place at Watts Bar, I and
11 my newly appointed QA manager, Richard B. Kelly,
12 will be undertaking further examination of QA
13 programs affecting us in nuclear power program in
14 general and at Watts Bar in particular.

15 When did you appoint Mr. Kelly as your
16 QA manager?

17 A I don't know the precise date. But I
18 conducted interviews for the position very
19 shortly after my arrival. I viewed three
20 positions as key to needing change; licensing,
21 engineering and QA, among others, but I viewed
22 those as ones I should fill as soon as possible
23 with the best talent I could get, and I started
24 interviews almost right away.

25 I interviewed several people and picked

1 Mr. Kelly and Mr. Huston at almost the same time.
2 It was either late January or early February, to
3 the best of my recollection.

4 Q And why would you have picked new
5 licensing managers and QA managers having only
6 been there two or three weeks?

7 A The licensing manager I released, I
8 believe, after I believe three or four days.

9 Q That was Mr. --

10 A Huffam.

11 Q -- Huffam.

12 A One of the conclusions, if you can call
13 it a conclusion, one of the things that was
14 apparent to me during the October visit -- and
15 understand, I had very little knowledge about
16 licensing other than that was an interface
17 between the utility and the NRC. I formed a
18 judgment from listening to a lot of things that
19 that wasn't working very well. That the sites
20 were doing their own thing, that no one at
21 headquarters was properly, I thought, in charge
22 of it. And as part of that Mr. Wegner and Mr.
23 Miles and I sat down with Mr. Huffam. He was one
24 of the people that we talked to at the time, and
25 I did not form a very positive image of him at

1 the time. And, of course, I didn't mention, ^{This to} ~~to~~
2 the Board of Directors because I didn't have any
3 concept at that time I'd ever be at TVA.

4 After I arrived I, of course, just
5 didn't want to just live on that concept, but
6 almost immediately -- I don't recall ^{the} ~~a~~ piece of ~~Edw~~
7 paper, but almost immediately Mr. Buffam dropped
8 the ball on a piece of paper, I think it was a
9 significant letter ^{by which} ~~that~~ I wanted to show the ~~Edw~~
10 organization, "we" are going to be timely in our ~~on~~
11 responses to the NRC. When we say we're going to
12 do something on a certain day, we're going to do
13 it and we're going to be "accurate."

14 And almost immediately he dropped the
15 ball on one and I said that's it, you know, and
16 he was let go after that. He was removed from
17 his position.

18 Engineering, I think -- are you asking
19 those three positions?

20 Q Yes, sir. Engineering and --

21 A Engineering I think I formed a little
22 later as a result -- I think I mentioned
23 yesterday that I interviewed in that first
24 process TVA people as well. And I interviewed
25 the manager of construction and the manager of

1 engineering at that time.

2 And in my impression, bolstered by my
3 own observations was that Mr. Cantrell was
4 professional and very technically knowledgeable
5 in the engineering world but I felt that
6 management-wise -- and this was after I was there
7 I think, you know, a few weeks -- management-wise
8 there seemed to be a lot of problems which had
9 happened on his watch. So I felt that he might
10 -- he needed training, was my impression. Here's
11 an individual, I need to train him to be a good
12 manager in terms of my management philosophy.

13 Almost the same things applied to the
14 QA manager, where I felt he had been there when
15 these problems arose. I had no reason ^{from} ~~for~~ any ~~that~~
16 conversation to feel he wasn't knowledgeable
17 about QA but I felt he would need training if he
18 were ever to move into that slot.

19 So I felt that they needed replacement.

20 Q Did you make any other wholesale
21 changes with regard to personnel in the Office of
22 Nuclear Power?

23 A Oh, I'm sure I did.

24 Q Immediately?

25 A When you say immediately, in the first

1 week or two weeks?

2 Q Yes.

3 A I'd have to go back and look at my
4 records to determine. I certainly made changes.
5 There wasn't any question -- when you say
6 wholesale, I made a number of changes. And time-
7 wise, certainly in the first three or four
8 months, but I'd have to look at various personnel
9 records to determine exactly.

10 Q But you saw a need to change licensing,
11 engineering and QA initially?

12 A Yes.

13 Q What were your -- did you have specific
14 instructions that you gave to Mr. Kelly with
15 regard to the QA program?

16 A After he became the manager of QA?

17 Q Uh-huh.

18 A Yes. We sat down and had a discussion
19 of what I wanted. We were very much in
20 agreement, as I recall, because I said -- I
21 indicated -- he knew my Navy background -- I
22 indicated to him the importance that I attached
23 to QA and that I wanted it -- made very clear I
24 wanted it absolutely independent from line
25 influence.

1 I made it -- I don't remember the
2 precise conversation, but I made it very clear,
3 for example, that if he had a fight with line
4 management over an issue, particularly if it was
5 a schedule issue, that he would know in advance
6 which side I'd come down on, and that was his
7 side. And I just viewed that as the driving
8 force.

9 He knew that I wanted him to get out
10 and look at people and see and try to determine
11 where we needed help, where we needed outsiders,
12 who were the better TVA people. You know, to
13 look for good TVA people who in TVA's eyes may
14 not have been good. They may have been the ones
15 TVA thought were bad, for example, but people
16 willing to stand up, willing to stand up for
17 their convictions, not afraid to, that kind of
18 thing.

19 And so I found a very sympathetic ear
20 ^{from} ~~for~~ Mr. Kelly who, of course, is a QA expert and ^{Edw}
21 believes, as is appropriate, that the universe is
22 centered on QA.

23 Q You indicated in the letter that both
24 you and Mr. Kelly would be undertaking additional
25 examination of the QA program in general and

1 Watts Bar in particular.

2 What did you mean by that?

3 A Well, what I meant was that again I
4 felt that there was evidence that there were
5 problems. Some of them, perhaps, long-term
6 problems. What I was trying to say is I've got a
7 good QA guy, a person with QA credentials and my
8 look at him as an individual -- I didn't know
9 him, the first time I met him was in October,
10 September of the prior year. But I knew him by
11 reputation.

12 I knew, for example, at Quincey
13 Shipyard when there were -- when there was
14 alleged bribery and a lot of other things going
15 on, that Mr. Kelly stood up and I think was the
16 only person who stood up and kind of said I'm not
17 -- you know, this is crazy. I'm not going to be,
18 have any part -- party to this, I'm not going to
19 be a party to what's going on. And I think gave
20 up a lot personally to do what he did and to walk
21 away from that.

22 So I felt he had a good reputation. I
23 was trying to tell the NRC, here's a good guy and
24 I'm going to keep him, if I can use the phrase,
25 head down and rear end up into these issues and

1 I'm going to be looking over his shoulder.

2 Q You mentioned that in March the 11th,
3 1986, in a statement to the Commission, that you
4 were having trouble finding a QA manager from
5 within TVA. Do you recall that?

6 A Yes. Yes. I don't remember my precise
7 words but I certainly was having that trouble.

8 Q Were you, indeed, looking for someone?

9 A Yes.

10 Q Mr. Kelly had only been there about
11 four weeks at that time.

12 ~~I don't understand the context of~~
13 that was wherever I brought in a contract
14 manager, and Mr. Kelly's a contract manager, I
15 was trying to hire a TVA person to ultimately
16 replace him. And I think I gave the examples of
17 in construction where I had a couple of people
18 that I said -- TVA people -- I said you, I'm
19 going to be watching you two. You can compete,
20 you're in contention to have the leading
21 construction job.

22 I did the same thing with Mr. Cantrell
23 who had been the previous guy that I'd replaced
24 in engineering. I said, let me tell you, I'll be
25 watching you and you need to improve your manage-

1 ment, and I gave him some suggestions. He was a
2 possible replacement for the contract manager
3 that was in place there.

4 When I looked at QA, and when I say I
5 looked at it, it was Mr. Kelly and Mr. Huston who
6 actually looked at the people to see who in the
7 organization they felt had the standards that I
8 wanted and the philosophy that I wanted from
9 within TVA. And we were not successful, and
10 that's what I was telling him, to move a TVA
11 ~~person~~ Kelly as an eventual replacement.

EKW

12 What I like to do is move a TVA person
13 in long enough to observe and be confident in him
14 before I get rid of the contract manager.

15 Q Did you ever find anyone in TVA that
16 lived up to your expectations as a QA manager?

17 A At the present time we have an
18 individual who we've been observing, who Mr.
19 Huston and Mr. Kelly observed and who Mr. Kazanas
20 is observing right now as a possible replacement
21 for Mr. Kazanas, and I'm just kind of watching
22 that situation.

23 I would like very much to be able to
24 hire another person in QA as a TVA employee to
25 compete with this individual. I think

1 competition for top jobs is always good.

2 Q You also mentioned in that first
3 sentence there that the enclosure, the NSRS
4 perceptions --

5 A Pardon?

6 Q You mention in the letter, the first
7 sentence, you said although the enclosure shows a
8 broad range of corrective action is already in
9 place at Watts Bar. What was this broad range of
10 corrective action, other than the personnel
11 changes. You've mentioned maybe personnel
12 changes, but corrective action per se, what was
13 that?

14 A Well, I think as I went through and
15 reviewed with Mr. Kelly these in specific areas,
16 he made clear to me corrective actions that were
17 ongoing, programs that were being revised and put
18 in place and that kind of thing. And that's what
19 I referred to as -- as, you know, many different
20 -- by broad range, in many different areas there
21 were programs. I didn't invent them, they were
22 there when we looked.

23 Q Did any of these changes that were
24 either in progress or going to be put in
25 progress, did they affect the condition of any of

1 the hardware that was already in place?

2 A I'm not sure I understand when you say
3 affect the condition.

4 Q Such as the welding inspection program.

5 A All it was indicating is, if we use
6 that as an example, I'll try to reflect back on
7 the thoughts at the time. It was indicating that
8 changes had been made in the welding program, if
9 I can categorize it as improvements in the
10 welding program. But that didn't mean that taken
11 in the context of the rest of it, the rest of the
12 paragraph, wasn't -- I was trying to tell --

13 Let me tell what I was trying to tell
14 the NRC, is there have been some changes, for
15 example, in the welding program but let me tell
16 you, there's a lot of other ongoing efforts and
17 I'm not going to be satisfied how things are at
18 Watts Bar in terms of equipment or construction,
19 until I'm through with that.

20 That's -- not only that sentence, but
21 that's what the paragraph says.

22 Q Were you -- can you relate any specific
23 changes that occurred between January 13th when
24 you arrived at TVA and March 20th, the day the
25 letter went to the NRC? You used the term

1 improvements, that's why I used that.

2 A Where are you, now, when you say
3 improvements?

4 Q Well, that's my term. I'm saying in
5 regard to either hardware, inspection programs or
6 corrective action is there anything between the
7 13th and the 20th?

8 A Are you asking whether after I arrived,
9 whether I know to my own knowledge of some
10 specific thing that was done, and the answer is
11 no, I couldn't, offhand, recall. There probably
12 were. I don't know.

13 Q Let me ask you, I'll also refer you to
14 that third paragraph again, the following
15 sentence says that if further examination reveals
16 design/construction deficiencies, noncompliance
17 and/or programmatic weaknesses, rest assured that
18 timely corrective action will be taken, including
19 work stoppage if that is appropriate.

20 Now, we've discussed in some detail
21 corrective actions at TVA. At this point in
22 time, when you sent the letter, was there any way
23 that you could assure that timely corrective
24 action was going to be taken as a result of what
25 you had done, programs that you had implemented,

1 at the time the letter was sent?

2 A What I was trying to tell the NRC, in
3 that sentence is, look, there's a new person
4 here, it's a new regime. I intend to hold this
5 organization -- I mentioned the licensing guy as
6 an example, that I intend to hold this
7 organization to doing what we say we're going to
8 do. That was the intent of that, saying we're
9 going to do things in a timely way.

10 And I would hasten to add, it isn't up
11 to my standards yet and I've effectively been
12 there a year.

13 Q Was this addressing issues in a timely
14 way going to start immediately or was this a
15 process that was just ongoing?

16 A I had already, almost from the moment I
17 walked on the quarterdeck, if I can use that
18 expression, the moment I got there, I was already
19 pushing for just that. And by that being when
20 you tell the NRC you're going to do something,
21 don't tell them unless you're really going to do
22 it then. And when you tell them, by God, you
23 ought to make sure that you do it when you said.
24 And if not, you better go back and tell them in *ECW*
25 advance, don't wait until after the fact to tell

1 them. That's what I was trying, and still am
2 trying to instill. Our responsiveness still, you
3 know, I get reports of the late reports, it
4 aggravates me very much.

5 MS. BAUSER: Can I ask a clarifying
6 question?

7 MR. WILLIAMSON: Sure.

8 MS. BAUSER: When you look at the
9 first sentence in that third paragraph,
10 I wasn't sure from the questioning whether
11 something was being implied here.

12 Mr. White, there's a phrase here that
13 says already in place at Watts Bar. Was
14 that intended to cover the time frame from
15 the time you got there to March 20th?

16 THE WITNESS: No, no. ~~No, no, no.~~ Edw
17 ~~No, no.~~ No, I think they understand that, Edw
18 that phrase means already in place, taken
19 at face value.

20 BY MR. WILLIAMSON:

21 Q Yes. You mentioned yesterday that you
22 had been, total time with TVA has been twelve
23 months.

24 A Effectively. I've really been there
25 about fifteen.

1 Q And understanding from January 13th to
2 March 20th, I guess is eight or ten weeks. Would
3 you relate to us what corrective actions have
4 taken place since the 20th that you're aware of
5 and what areas these would affect?

6 A In QA you mean or just overall?

7 Q QA and overall. Primarily QA.

8 A The most immediate improvement was to
9 bring in outside QA people and I don't recall the
10 numbers. But I remember going to the Board of
11 Directors almost immediately upon Mr. Kelly
12 coming there and saying -- for different reasons
13 I had to go to the Board of Directors -- but
14 going to them and saying we need additional
15 people immediately in the QA business. We needed
16 outsiders who were experienced and I would use
17 them in many fashions, including finding where we
18 are and training TVA people. Training was a big
19 part of it.

20 And as I recall, I told them I needed
21 35 people, you know, like that week. There were
22 others then that were brought aboard from various
23 sources, and I don't remember the precise number,
24 but I wouldn't be surprised that in the first few
25 months it was hundreds that were brought aboard.

1 (Interruption.)

2 A (Continuing) Brought aboard as from
3 outside of TVA. The best spokesman for the
4 details of all the improvements that have taken
5 place in the past year, of course, would be Mr.
6 ~~Graves~~ ^{KAZANAS} but if I were to say lots of training, *ESW*
7 we're training people to know their jobs. We are
8 trying to train managers and QA people to
9 understand their responsibilities. The other
10 side of that, of course, is I'm trying to train
11 line managers what QA means and their
12 responsibility in QA, which is part of this. I
13 don't know if you'd categorize it as improve-
14 ments, I do, but elevating the position of QA and
15 making it clear to the organization that it's
16 elevated. Updating the nuclear quality assurance
17 manual is an effort in that direction. The
18 recent corrective action program, and the
19 emphasis that we're putting on that is an example
20 and, you know, I'm sure if I had my other papers
21 to refresh my memory there is quite a lot that
22 has been done and was recently testified to the
23 commissioners in that regard of the major issues,
24 major things accomplished.

25 But from my perspective training and

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1 those things and instructions and procedures and
2 updating are important, but from my perspective
3 the major change is the change that I call the
4 culture, change the attitude of TVA toward
5 quality assurance, and that's a hard thing to
6 measure where I am on that, in that progress.

7 Q You mentioned also in that same
8 paragraph the term programmatic weaknesses.

9 A Yes.

10 Q Your definition of programmatic
11 weaknesses?

12 A My definition at the time or now?

13 Q At the time.

14 A I can't answer that as I really can't
15 recall. I must have asked questions about it but
16 I don't recall that specific topic. ~~of that.~~ *Edw.*

17 Q How about now?

18 A Now weaknesses in the program. Just to
19 me what it says, you've got a QA program which is
20 layed out to do certain things and is -- well, I
21 would say the nuclear quality assurance manual
22 would be part of the program and as one example,
23 in reflecting that, I would say that that is a
24 weakness which Mr. Kelly corrected -- Mr. Kelly
25 and others under his direction -- corrected by

1 rewriting the quality assurance manual.

2 Let me say, and I maybe should repeat
3 from yesterday, that one of the other things,
4 clearly, that we did, if you recall I said there
5 were five QA organizations, five sets of
6 instructions and all of that. Those were
7 improvements that I pretty much immediately
8 directed, pretty much immediately, and it took a
9 little while to get them in place.

10 MS. BAUSER: When you say those are
11 improvements, you mean that you pulled
12 together the five into one --

13 THE WITNESS: I preferred a strong
14 centralized organization. I demand, and
15 it's been a terrible problem at TVA --
16 I demand standardization. I don't know
17 why one site has to do it differently
18 than another site. I don't know why one
19 organization has got to do it differently
20 from another one.

21 Now, you might, as I said yesterday,
22 that ^{the centralized} system probably exists in other Eldo
23 utilities in the U.S. and it probably
24 works okay. I look at it that I can make
25 this one work better. I think it's --

1 what I'm instituting is superior.

2 BY MR. WILLIAMSON:

3 Q One of my concerns is -- and we're
4 talking about programatic issues. Does this
5 include implementation of a program or are we
6 just talking about a written document?

7 A The phrase -- I don't know in what
8 context -- I've heard the phrase used both ways
9 and it's one of the things that I've found you
10 have to be specific about. I have heard people
11 say program and talk about the welding program,
12 and I've found, at some time after I arrived,
13 that you also then had to ask to make sure you're
14 talking the same language, you might have to ask
15 do you mean the paperwork or how it's being done,
16 whether it's being done in accordance with the
17 ^{program}~~implementation~~, whether that's -- so, you know, I *Ek*
18 think probably, depending on who you talk to,
19 you'd get different answers.

20 Q What do you think?

21 A It depends on the context that you're
22 using it in.

23 Q With regard to 10CFR Appendix "B".

24 A Well, let me put it this way: When I
25 testified in front of Mr. Dingell, is an example,

1 perhaps, of my thought process. I said that EG&G
2 had finished, I think, 90 or 95 percent of their
3 look and felt that the program was in compliance.
4 I then added, and we are now out looking at
5 thousands of ~~welds~~^{welds}. What I meant by that was EKW
6 that even though the program, the written program
7 may be okay, we've got to find out what the
8 results of that program were.

9 So in all honesty, I would say that I
10 would go on ~~the~~^{that} side, ~~and~~ There might be EKW
11 exceptions, but I would go, and you might paint
12 some other one where I might not feel this way,
13 but I would -- my thrust is I would feel that you
14 can have a program but you've got to make sure
15 it's implemented.

16 Q Are you familiar enough with Appendix
17 "B", that requires that you have a program and
18 that it be implemented? You're familiar with
19 that, are you?

20 A Well, I'd have to review it but I'm
21 sure it is. It's common sense to have it.

22 Q We have had people say, you know, that
23 you can have a program and Appendix "B" requires
24 you to have a program. It's like having
25 paperwork, a written program is sufficient.

1 Whereas in Appendix "B" itself it requires that
2 the program be implemented. And with your
3 military background I think that if there was a
4 certain document regarding inspections or other
5 things, that there would be a requirement that
6 you not only have a program but it be
7 implemented.

8 Yes.

9 MS. BAUSER: I just before -- I want
10 him to not answer, but if you're asking
11 whether Appendix "B" 10CFR Part 50 has in
12 it a statement about implementation, he
13 ought to look at Appendix "B" before he
14 answers that question.

15 MR. WILLIAMSON: Fine.

16 MR. REINHART: No. I'm sorry, that's
17 not an official Appendix "B".

18 MR. MURPHY: Okay. That's just my
19 guideline. I mean I think it's as
20 official as you can get but he'll give
21 you one.

22 THE WITNESS: Well, I know, but let
23 me just save some time here.

24 MR. REINHART: Look at Criterion 1,
25 the first sentence.

1 THE WITNESS: Criterion 1, okay.

2 MR. CHARNOFF: Does NRC issue
3 unofficial copies of Appendix "B"?

4 MR. MURPHY: That's, you know, just as
5 I've traveled about the country. But, you
6 know, it's got the ANSI standards and
7 things.

8 MR. REINHART: Yes, different people
9 print those up.

10 (Whereupon, a discussion ensued off
11 the record.)

12 MR. WILLIAMSON: There you go.

13 THE WITNESS: Criterion 2, did you
14 say? Quality of --

15 MR. REINHART: Criterion 1, the very
16 first sentence in it.

17 THE WITNESS: The very first sentence?
18 I must be looking at something else because
19 it doesn't say what you're indicating. I
20 must be looking at the wrong thing. Are
21 you talking about the word execution?

22 MR. REINHART: Yes, sir.

23 THE WITNESS: Okay. I was looking
24 for the other word that you used.

25 What's the question now?

1 BY MR. WILLIAMSON:

2 Q Well, my question was that it's not
3 sufficient just to have a program, it's that that
4 program must be implemented or executed.

5 A Yeah, but when I go to -- and here's
6 perhaps a case -- when I go to the following
7 criterion and it appears to me the quality
8 assurance program now, it says, The applicant *EW*
9 shall establish consistent with the schedule a
10 quality assurance program which complies with the
11 requirements of this "appendix." In that sense, if *all*
12 you use it in that sense, program would include
13 execution which appeared in the first one. And
14 so that's perhaps a prime example of what I'm
15 trying to say because I could put a different
16 context --

17 In the context of what I meant in this
18 letter, I certainly was using it in the former,
19 not the latter. In other words, I was saying
20 clearly, I asked Mr. Kelly how do you know this
21 is being done. And they went out, I'm told, and
22 checked with people in the field. That's
23 execution, and so in my interpretation I believe
24 I would split them up, although the appendix
25 itself is a case that you can define it

1 otherwise.

2 Q But you would agree that in order to be
3 in compliance with that that it would have to be,
4 the program itself would have to be executed?

5 A Common -- yes. Common sense says
6 regardless -- you know, let me step back.

7 What are we trying to show by the
8 appendix? We're trying to show that this
9 facility as it's built, as it's built, not as the
10 instructions say it's going to be built, but as
11 it's built. You have to have the whole thing.

12 Q In the enclosure to the letter, okay,
13 attachment, enclosure, whatever you want to call
14 it, those reviews that were conducted by the line
15 organizations, did they address the
16 implementation, the execution of the Appendix "B"
17 or did they just address the programmatic aspect?

18 A When you say the line responses, I
19 simply don't know. I'd rather refer to Mr.
20 Lundin's letter as to -- if you have it, because
21 that's what tells me what the oversight groups
22 did.

23 Q Okay.

24 A And I can also, of course, tell you
25 what Mr. Kelly told me, which is in consonance

1 with that, but in terms of specific line
2 managers, I'm not knowledgeable.

3 Q For the record, Mr. White, we're
4 looking at a memorandum to Mr. C.C. Mason from
5 C.D. Lundin dated February 7th, 1986, subject NRC
6 corporate plan.

7 A Yes, in the second paragraph, if I can
8 quote it.

9 Q Certainly.

10 A "They reviewed" -- they being the EAW
11 independent outside group that was put in place
12 to -- one of the groups put in place to
13 investigate this issue. "They" reviewed draft CAW
14 responses to concerns, contacted the people
15 investigating and responding to the concerns,
16 interviewed site personnel involved in the
17 activities mentioned in the concerns, reviewed
18 pertinent documents and performed any other
19 activities deemed necessary to validate the
20 responses to the concerns and the methods used to
21 develop the responses.

22 They also, with the assistance of NSRS
23 personnel reviewed some of the investigations
24 used to develop the NSRS "concerns." EAW

25 Now, if I take that phrase, "interviewed"

1 site personnel involved in the activities
2 mentioned in the "concerns," that means check the *EW*
3 implementation, and that's in agreement with my
4 discussions with Mr. Kelly as to what happened.

5 Q And you feel confident that was done as
6 a result of the Lundin effort?

7 A I have to assume that Mr. Kelly and Mr.
8 Lundin did what they told me they did and have
9 reported they've done. And I think they did. I,
10 you know, have no question about the character of
11 either of those individuals.

12 MR. WILLIAMSON: Do you have some
13 questions?

14 MR. REINHART: Yes.

15 EXAMINATION

16 BY MR. REINHART:

17 Q Yes. Mr. White, earlier you said that
18 what you told Mr. Kelly was that you wanted an
19 auditable trail, I guess, of this effort. Did
20 Mr. Lundin's memo provide an auditable trail?

21 A It's part -- yes, if you consider it
22 part of the documentation, but there's
23 considerably more documentation I understand than
24 obviously that single one-and-a-half page letter
25 report. But I would say that's part of what

1 should be maintained and provided to the NRC if
2 they wanted to track this thing back.

3 Q Down here where he says he interviewed
4 site personnel --

5 A I need to get the letter back again.

6 Yes.

7 Q Could we go somewhere to find out who
8 the people that were contacted were, which site
9 people were interviewed, which pertinent
10 documents were reviewed, what other activities
11 were performed? Is that auditable, some way we
12 could trace it?

13 A Well, I have no way of responding to
14 that. I don't know because I haven't read all
15 those papers. I would certainly hope that you
16 could find that type of information in those.
17 But I don't know if it exists anywhere.

18 Q Who would be the person we would talk
19 to?

20 A Well, I guess it would be Mr. Kelly or
21 Mr. Lundin or, depending, you might have to talk
22 to the individuals concerned on that group, or it
23 might be as simple as going to whatever records
24 they maintained. But if you want to then verify
25 the records, you'd have to go talk to the

1 individuals and find out from them who they
2 talked to.

3 Q Okay. Did you ever see anything more
4 than this as far as these records were concerned?

5 A Did I see any more than --

6 Q From Mr. Lundin's --

7 A -- this letter in terms of -- and
8 obviously the letter and its enclosures.

9 MS. BAUSER: The March 20 letter.

10 THE WITNESS: The March 20 letter
11 and its enclosures.

12 BY MR. REINHART:

13 Q No, no. I mean this effort that Mr.
14 Lundin did, did you see some kind of backup
15 documentation that provided some auditable
16 results?

17 A I think I mentioned yesterday that
18 sometime subsequent to this in walking the ship I
19 was -- they pointed out to me, those volumes are
20 the supporting documentations you required be
21 maintained. But, you know, what's in them I
22 don't know.

23 Q Okay.

24 A I assume ^{based on} what they said, ^{pertinent information is} ~~which is the~~
25 backup documentation. Edu

1 Q Did you talk to Mr. Lundin about this?

2 A No, I did not. I dealt exclusively in
3 this area -- no, that's not correct. I was going
4 to say with Mr. Kelly. I dealt also somewhat
5 with Mr. Huston. But it was through them. They
6 were ~~at the direct reports to~~ ^{reported directly to} me. Mr. Lundin Edu
7 reported to Mr. Kelly.

8 Q Okay.

9 MR. WILLIAMSON: Do you have any more
10 questions on this issue?

11 MR. ROBINSON: Just one more.

12 EXAMINATION

13 BY MR. ROBINSON:

14 Q So you never asked any probing
15 management questions of Mr. Lundin to satisfy
16 yourself that he accomplished his --

17 A I didn't even discuss with Mr. Lundin.
18 I dealt with Mr. Kelly and Mr. Huston and probed
19 them as to what was going on.

20 Q So from their responses you assumed
21 that Mr. Lundin did what --

22 A Oh, yes, yes.

23 MR. MURPHY: I'm going to jump ahead,
24 Mark, and then you can cover all yours.

25 MR. REINHART: Oh, you're going to go?

1 MR. MURPHY: Yes, because I just have
2 a very few questions here.

3 EXAMINATION

4 BY MR. MURPHY:

5 Q The last question -- I mean the next to
6 the last sentence of your March 20th letter says
7 aggressive action to remedy any weaknesses found
8 will be taken.

9 And my question is, Mr. White, does
10 this address the weaknesses you'd already
11 identified or just future weaknesses, or both?

12 A What it means is I intend to pursue
13 weaknesses found from whatever source. I'm not
14 sure I --

15 Q I mean from March 20th forward, is that
16 what we're talking about? Are we talking in the
17 future tense or the immediate sense or --

18 A I'm talking in terms of what I said
19 before that this is a new regime, I'm going to
20 establish a new culture at TVA and we're going to
21 aggressively pursue these issues.

22 Q How many problem areas of major
23 consequence, and I say major, I would hope that
24 by major something that you consider important,
25 have you identified since the March 20th, 1986

1 letter?

2 A Well, many, many. Throughout TVA, oh,
3 my gosh, I've found many problems.

4 Q Well, let me try to get a little
5 closer, then. How about areas that would require
6 reporting to the NRC, such as the -- I'll give
7 you the best example I know of is the structure
8 welding, the radiograph problem which you did
9 report, things like that.

10 A Let me describe it this way: In 1986,
11 as I recall the numbers, at Watts Bar there were
12 over 1300 nonconformance reports, and of course,
13 those reports that are available to your resident
14 engineer. So in 1986 at Watts Bar over 1300 of
15 those and, as I remember, the number 70 sticks in
16 my mind, but 70 of those resulted in what are
17 called the 5055E reports which are significant.
18 So the answer to that is that at Watts Bar alone
19 in the QA program alone there were 70 things
20 worthy of reporting to the NRC as significant.

21 Now, my trouble was that there are
22 other areas outside of QA where I found many
23 other problems, but I --

24 Q No, because we're kind of, you know,
25 talking about the quality assurance program.

1 A Yes.

2 Q Do you have any idea how many of these
3 correspond to these problems identified in the
4 NSRS perceptions?

5 A No, I don't. No, I don't. I am -- let
6 me say I am not satisfied yet with our reporting
7 system and as evidenced by some harshly worded
8 recent directives to my managers, because I'm not
9 pleased with the progress we're making, I'm not
10 satisfied in the manner in which we identified
11 them, the timeliness with which we decide whether
12 there's a potential safety item, nor in the
13 manner, the time it takes to report to the NRC.
14 I'm not at all satisfied yet with that. But in
15 terms of being able to match the two, that is the
16 two being what was in existence in March versus
17 how many of these were from -- I don't know. I
18 would have to ask my QA manager or my licensing
19 -- you know.

20 Q You've never had any curiosity to go
21 ahead and do that?

22 A Oh, I've had much curiosity in a lot of
23 areas. Let me tell you the first curiosity was
24 sometime in the past when I said I'd like a list
25 of all the 50552's from TVA and I'd like them

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1 broken down into how they've existed and where
2 they stand. And I was appalled at how long it
3 took for me to get the information, and once I
4 had it and asked a lot of questions about it why
5 they didn't have the answers and the list wasn't
6 right. So let me tell you, I'm asking lots of
7 questions. I'm not satisfied yet with all the
8 answers I'm getting, but don't assume from
9 anything that I'm not asking a hell of a lot of
10 questions, please.

11 Q Let me ask you one more question. You
12 have publicly stated and told us that there has
13 been, in your mind, some improvements at least in
14 that area, you would hope. I mean you're at
15 least expecting some activity to take place; is
16 this correct?

17 A What I said and I believe is -- and a
18 lot of this is subjective -- but what I said and
19 what I believe is that I'm starting to see,
20 starting to see in some areas a glimmering of the
21 change that I want. Now, isn't -- some would
22 view that as not a very positive statement and
23 say you mean to say you've been there effectively
24 for a year and that's all -- let me tell you, in
25 a large government agency where after effectively

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1 only a year you're starting to see glimmers of
2 change, I'm pleased with that and I probably
3 shouldn't put that on the record because it will
4 come out and then people will relax, but I'm --
5 and I don't want that. But I'm starting to see
6 it, yes.

7 Q If there's been improvement but yet
8 you're not satisfied, does this somehow indicate
9 that the situation was in fairly poor shape when
10 you got there, by your standards?

11 A Based on what I know now versus what I
12 knew on the 13th of January -- first of all, I
13 thought on the 13th of January I knew the size of
14 the problem I was facing. In reflection I didn't
15 know it and the NRC didn't know it. I don't
16 think anyone knew it. And when I say the
17 problem, it is not just -- we're talking about QA
18 and I don't want you to assume that when I talk
19 about problems I'm talking about technical QA
20 problems. I'm talking about political problems,
21 I'm talking about -- well, I'd label a lot of
22 them as political problems.

23 TVA is not just another utility. TVA
24 is TVA. I didn't realize the depth of -- I
25 thought I did by March -- the depth of the

1 culture. I'm still finding out as recently as
2 two weeks ago in a letter to the Board of
3 Directors, reported to them something outside my
4 area, nonsupport by the organization that you
5 would think that over a year later, 15 months
6 later, wouldn't be there. So, no, I -- the
7 problem is much bigger than I thought it was.

8 Q Let me ask one more question. It's not
9 on my list here but it popped up. Would your
10 answer to the March 20th letter be different
11 today than it was then?

12 A Let me tell you. Knowing what I know
13 now, including the political things that have
14 occurred -- let me make clear that I have no
15 problem -- I want to make sure you don't
16 misunderstand me -- I have no problem in the
17 letter being accurate as it is written and a lot
18 of other things.

19 If you are asking me if I would have
20 handled the issue in the same way, and I think
21 that's the thrust, Mr. Murphy, of what you're
22 asking, the answer is no. I would have asked the
23 NRC for a public meeting as I recently did on
24 Sequoyah. A public meeting to discuss and clear
25 in a public forum any possible issues. Not only

1 from the NRC but from bystanders who might want
2 to raise questions.

3 Frankly, based on what I know now, I
4 would have approached it with a public meeting
5 and then subsequently, as I recently did, filed a
6 letter, but only after a public meeting so that
7 there would ^{NOT} be any of these questions that are ~~asked~~
8 occurring today. We would have a transcript to
9 know exactly the words.

10 Q Would you just clarify a little bit
11 what the 70 -- 70 5055E reports and the untold
12 number of NCR's, noncompliance reports that you
13 talked about, would your response still be that
14 you're in compliance with Appendix "B" at Watts
15 Bar?

16 A Yes, with regard to the small box, Mr.
17 Reinhart's box. Only on that. If you say have I
18 determined, have I pursued to the end those
19 eleven perceptions and all the other things, the
20 answer is no. I am not turning my back, by the
21 way, on any information. For example, during my
22 absence, my leave of absence last year from TVA
23 there was a staff letter written, I think, by the
24 staffs of Congressmen Dingell and ^{Udall} ~~Udall~~ which ~~Edwards~~
25 says some things about these perceptions. I have

1 an ongoing effort right now to determine if
2 there's anything in there new that we didn't know
3 then that we know now or anything else we ought
4 to pursue. I have an ongoing effort in that
5 regard.

6 MR. MURPHY: Thank you. Appreciate it.

7 THE WITNESS: You're welcome.

8 MR. REINHART: How about some time.

9 THE WITNESS: Oh, yes. Let me -- the
10 5055E's are not all QA, and that's correct,
11 and I'm sure you understand, he understands
12 that.

13 MR. WILLIAMSON: Let's take a five-
14 minute break.

15 (Whereupon, a recess was taken.)

16 MR. WILLIAMSON: We're back on the
17 record at 2:12 p.m. and we'll continue
18 with the interview of Mr. Reinhart.

19 THE WITNESS: Of Mr. Reinhart or by
20 Mr. Reinhart?

21 MR. WILLIAMSON: With Mr. Reinhart.

22 EXAMINATION

23 BY MR. REINHART:

24 Q Mr. White, on the March 20th letter,
25 the real one, the signed one, the one that was

1 sent, if we go down to the second paragraph where
2 you talked about no pervasive breakdown.

3 A Yes.

4 Q If we take this letter as is and
5 replace that word pervasive, would either one of
6 the following four words be correct, would it
7 have conveyed the same thought?

8 Significant, widespread --

9 A Wait.

10 Q -- extensive or serious.

11 MS. BAUSER: Not all four, but you
12 mean if you took each one and replaced
13 pervasive with each one?

14 BY MR. REINHART:

15 Q Would any or all of those words have
16 been an acceptable substitute?

17 A This is kind of a multiple choice.

18 MR. CHARNOFF: It's kind of a college
19 entrance test.

20 A (Continuing) Pervasive -- I'm trying,
21 and I guess you're asking me at the time that
22 I did this.

23 Significant would not mean the same as
24 pervasive.

25 BY MR. REINHART:

1 Q Would it be acceptable?

2 A Not in this connotation. When you say
3 acceptable, would I have felt that that would
4 answer. No, remember I have given you my
5 definition, pervasive had a legal definition.

6 First of all, let me say I don't
7 recognize any of these four words as having a
8 legal -- in other words, if you were to show me a
9 court case now that says, that would say
10 significant means pervasive, then I'd obviously
11 bow to that. But significant is used and I think
12 defined by the NRC and I think it's defined and
13 used by them in a different fashion than I would
14 use pervasive. So I don't see those as
15 substitutes.

16 I do not see serious as a substitute
17 for pervasive. I have many serious problems.

18 Extensive, I've never really considered
19 it -- you've almost given me a spectrum getting
20 closer and closer to pervasive. Extensive is
21 closer but I don't view it as synonymous with.

22 Widespread is pretty close to pervasive
23 or is pervasive, I think.

24 Does that answer what you're asking.

25 Q Would that have -- if the letter had

1 come instead of having pervasive and said
 2 widespread, would it have been an acceptable
 3 letter to send?

4 MR. CHARNOFF: Acceptable to whom?

5 MR. REINHART: To Mr. White. Would
 6 he have signed it.

7 THE WITNESS: No. Let me tell you,
 8 this question has come up before.

9 BY MR. REINHART:

10 Q I know, I know.

11 A This precise question. Pervasive had a
 12 legal meaning. If someone were to have -- that
 13 was the Callaway case. If someone had said well,
 14 here's a case of Jones versus Smith and it says
 15 widespread, then I would have used widespread.
 16 This had a licensing connotation, pervasive had a
 17 licensing connotation. Widespread did not. I
 18 don't have any problems, you know, specifically
 19 with the words, but one's defined and the other
 20 isn't in the licensing sense.

21 Q So your tendency toward pervasive went
 22 because you felt it was a licensing basis?

23 A I not only felt, I read the licensing
 24 basis. And I saw no such ^{case defining} ~~thing~~, the word CEW
 25 widespread. There may be one, but it's never

1 been shown to me.

2 Q New question, kind of --

3 MR. MURPHY: Let me interject one
4 thing.

5 EXAMINATION

6 BY MR. MURPHY:

7 Q How did you determine the existence of
8 these court cases. I don't think -- you've
9 mentioned that before but you never explained who
10 informed you of that.

11 A I think it was Mr. Kelly. I think it
12 was Mr. Kelly. When the word pervasive came up
13 -- I don't know if I asked him, I may have asked
14 Wegner, but it seemed to me that there were two
15 court cases, and I've mentioned that and that's
16 the connotation it came up in because knowing at
17 that point that it had some specific meaning of
18 licensing significance, I wanted to see what it
19 said before I signed such a letter, so I --

20 Q Did you read the Callaway decision?

21 A When you say did I read it, I --

22 Q It's only a couple of pages long.

23 A Yeah, I think so, because I saw a
24 highlighted version. But I would say I certainly
25 reviewed it. Now, if you gave me a quiz on it, I

1 might not pass the quiz.

2 Q I'm going to ask you one more question.
3 Is the word pervasive defined in the Callaway
4 decision?

5 A My recollection is that it is defined,
6 and that's what I tried to say earlier today,
7 tried to give that definition.

8 EXAMINATION

9 BY MR. REINHART:

10 Q During the time that this letter was
11 being prepared in any of your involvement was the
12 idea of a possible material false statement
13 introduced, discussed, considered?

14 MS. BAUSER: What time frame is the
15 beginning of your question, Mr. Reinhart?

16 BY MR. REINHART:

17 Q During the preparation of this letter,
18 during the time frame when Mr. White was
19 involved.

20 A I think so in that time frame.

21 Q Could you tell us why it was discussed?

22 A Well, I think it came up in a
23 discussion with Mr. Edgar. You recall I said
24 that I called him about, you know, if I've got to
25 be an expert in all these things, and I think in

1 that conversation he mentioned, you know, you
2 have to subscribe and swear to this, and
3 therefore there's something called a material
4 false statement, and I don't remember the exact
5 conversation. I'm pretty sure it was with Mr.
6 Edgar and my saying, you know, what's that and
7 that kind of thing.

8 Q Okay. What was he telling you then?

9 A Well, it wasn't he was telling me about
10 material false statements specifically, he was
11 telling me what my responsibilities were and how
12 I should carry them out.

13 Q Okay. When you effectively relieved
14 Mr. Parris or in fact relieved Mr. Parris, we
15 talked that Mr. Parris shortly went to Knoxville
16 and you didn't have an opportunity to talk to
17 him. Why didn't you make that happen?

18 A I was going to say before you finished
19 the question, when you said I didn't have an
20 opportunity, I could have made an opportunity to
21 talk to him. There were several things. It's
22 not a simple answer. I'll tell you for one
23 thing, I was very, very busy. As I said
24 yesterday, in that time frame I think I was
25 working close to 100 hours a week.