

1 two.

2 MR. WHITE: Let me look at it again.

3 MR. MURPHY: Okay.

4 MR. WHITE: All right.

5 MR. MURPHY: Okay. Was the topic of material
6 traceability brought up in any discussions in the briefing of
7 Mr. Parris, the briefing of the Board, or in your general
8 evening discussions or discussions that you had?

9 MR. WHITE: I don't recall. It may have, but I
10 don't recall it as a specific item.

11 MR. MURPHY: You covered the pamphlet. Any mention
12 during your evening briefings about welding problems at Watts
13 Bar?

14 MR. WHITE: No, I don't recall any specific mention
15 of welding problems at Watts Bar. I don't recall any
16 specific discussions about Watts Bar. And I think that's
17 because that was probably one of the sessions that I missed,
18 now that I think of it, because you remember I said we went
19 up there with the ^{ETA} ~~Beta~~ people and then I came back and the Edw
20 next day I was off on my own, I thought, with Mr. Cottle and
21 perhaps Mr. Parris. But I think, at any rate, because of all
22 of that, I don't ever recall, as I do in the case of ^{Sequoyah} ~~Sequoyah~~ Edw
23 and Brown's Ferry, being involved with the evening
24 discussions.

25 MR. MURPHY: Comments under nine and under

1 thirteen, identify -- Under 9(g), it says NSRS is the real
2 enemy. And Under 13(c), NSRS is the title and it says
3 everyone's enemy. Has that thought ever been --

4 MR. WHITE: May I look at them again?

5 MR. MURPHY: Surely.

6 MR. WHITE: 9(g), NSRS is the "real enemy." What's
7 the question?

8 MR. MURPHY: Has the NSRS ever been characterized
9 to you as an enemy or as a group deserving --

10 MR. CHARNOFF: Are you talking about during the
11 November, 1985 review?

12 MR. MURPHY: Yes.

13 MR. WHITE: No. But as I read this, I think, and I
14 have no way of knowing, I have not seen this before, but I
15 think what it's saying is that this is what one of the TVA
16 people was saying. As I'd indicated before, what I perceived
17 was that there was some kind of problem in the way NSRS --
18 things weren't coming out right. I think I used the words --
19 I may not have -- loggerheads with line management. There
20 seemed to be some problems and I didn't know definitely.

21 But no one ever said to me, "Look, the real
22 enemy..." -- I never heard that specific thing.

23 MR. MURPHY: And the last, number 23, it says
24 operations of quality assurance manager and this is obviously
25 a comment from him.

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1 MR. WHITE: Where are you?

2 MR. MURPHY: I'm on another page.

3 MR. WHITE: You're on another page, I'm sorry.

4 MR. MURPHY: It says past management style was get
5 done on time within budget is the way to succeed.

6 MR. WHITE: Which one is this now?

7 MR. MURPHY: Number 23, the final item on there.

8 MR. WHITE: No, that specifically, was never
9 discussed with me.

10 MR. MURPHY: This is a letter to Mr. Cottle from
11 Mr. Nace and the date on here is January 24, 1986. However,
12 for the record, I would like to note that Mr. Burns has said
13 that this date was the date that was date stamped in his
14 office and that in checking the records, he determined that
15 this letter did, in fact, arrive at TVA on January 3, 1986.

16 I would like you to look at this letter and tell me
17 if you've ever seen it before.

18 MR. WHITE: The first time that I recall seeing
19 this letter was a few minutes ago when ^{the} ~~he~~ attorneys showed it TVA
20 to me. I don't recall ever seeing it before.

21 MR. CHARNOFF: And just for the record, the first
22 time the attorneys saw it was when you, Mr. Murphy, gave that
23 to me just before the end of the break.

24 MR. MURPHY: The very first sentence of this
25 particular letter happens to be "confirming our recent

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1 discussions, Stone & Webster Engineering Corporation, SWEC,
2 is prepared to assist TVA in establishing sufficiently high
3 confidence in the quality assurance program and associated
4 design control measures employed in engineering constructed
5 at the Watts Bar Nuclear Plant.

6 Was the quality assurance program and associated
7 design control measures discussed by these folks?

8 MR. CHARNOFF: When, Mr. Murphy? In the November,
9 1985 time frame?

10 MR. MURPHY: Yes, sir.

11 MR. WHITE: No. Let me try to be as helpful as I
12 can on this issue.

13 MR. MURPHY: Okay.

14 MR. WHITE: So it isn't associated with this letter
15 because I've never seen this. I don't recall ever seeing
16 this before. I knew that at some point in time and I,
17 frankly, don't recall ^{who} ~~how~~ determined it, but I did determine
18 that TVA had been impressed with some of the Stone & Webster
19 people and ^{their} ~~our~~ capabilities. Edw

20 At some point in time, I knew that there were
21 discussions with regard to that; that TVA wanted Stone &
22 Webster to help them in certain areas at Watts Bar. I'm not
23 at all familiar and was not at all involved, you notice I'm
24 not a copy on this thing, I wasn't at all involved with
25 anything that went on with regard to that. I had zero Edw

1 involvement.

2 MR. MURPHY: I'll try to re-emphasize this thing.
3 Was the quality assurance program and associated design
4 control measures the topic of discussion with the folks that
5 did that review?

6 MR. WHITE: It may have been. You're talking not
7 about this letter --

8 MR. MURPHY: No. About the topics in general.

9 MR. WHITE: -- but about anything prior.

10 It could have been. I don't recall. I don't
11 recall specifically. This thing relates to Watts Bar and I,
12 specifically as I've mentioned, don't recall anything
13 associated with Watts Bar.

14 If you say was there any discussion about the
15 quality assurance program at TVA, there must have been. But
16 I don't recall what it was.

17 MR. MURPHY: You don't recall whether it was
18 negative or positive.

19 MR. WHITE: No. No, I don't. Most of the
20 conversations dealt with, obviously, problems; sometimes
21 strengths, sometimes some good things that people found. I
22 don't recall the specifics.

23 For example, in some cases, an individual would say
24 well here's what I found at TVA and it's the same as the rest
25 of the industry does and there's nothing wrong with what

1 they're doing and that would be a topic. Whether or not it
2 showed up in a report, I have no way of knowing. I simply
3 didn't get into that kind of details. I wasn't knowledgeable
4 enough to.

5 MR. MURPHY: Is what I'm hearing is that they've
6 identified problems at TVA, that they're just like the rest
7 of the industry and it's no big or it's a big deal or what
8 are we saying?

9 MR. WHITE: No. Let me try again.

10 MR. MURPHY: Please.

11 MR. WHITE: There isn't any question that I formed
12 the judgment that there were problems, management problems,
13 at TVA. There's no question in my mind that the team formed
14 the judgment that there were problems at TVA in various
15 areas.

16 What I'm saying is I don't recall the specifics
17 because you're asking me questions about did they ask about
18 this specific and I don't remember. I really don't remember.
19 But the purpose of the team, remember, was to come down and
20 look and they clearly found problems. But as I've said, I
21 focused on the management issues.

22 MR. MURPHY: The third set of documents which you
23 had a chance to review says "TVA Problems." You were given
24 an opportunity to review them at the break. Have you seen
25 them particular documents before?

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1 MR. CHARNOFF: I'm sorry, Mr. Murphy, could we also
2 identify those by Stone & Webster page numbers?

3 MR. MURPHY: Sure.

4 MR. CHARNOFF: Or could you do that for us, Mr.
5 White?

6 MR. WHITE: Certainly.

7 MR. MURPHY: These are pages 290, 296, 297, 298,
8 305, 306, 307, 308, 301, 302, 303, 304, 309, 321, 322, and
9 323.

10 MR. WHITE: Well, I assume these are the same
11 documents we just reviewed in the other room and I never
12 recall seeing any of these papers before. One of the things
13 when we reviewed that I did note was they skip a lot of
14 pages.

15 MR. MURPHY: Yes. Let me explain that. The reason
16 why the pages are skipped, they pertain to either Brown's
17 Ferry or Sequoia or Chattanooga or one of the other areas
18 which we are not looking at currently. So unless there
19 comments in them documents related somehow to Watts Bar, we
20 did not put them in.

21 MR. WHITE: Well, the other thing I noted as I went
22 through it, it appears to be not one document, but more than
23 one document. But at any rate, to answer your question, I
24 don't recall ever seeing any of those pages before.

25 MR. MURPHY: Did you look at them documents well

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1 enough to review some of the problems identified in the
2 documents?

3 MR. WHITE: No, I gave it a cursory look, but I
4 didn't go line by line just now. I looked in general and
5 gave it a cursory look to see had I seen this thing before
6 because I thought that's what I was being asked. I didn't go
7 just now line by line through those stack of documents.

8 MR. MURPHY: Did you observe any problems that were
9 familiar to you?

10 MR. WHITE: Well, let me look again.

11 MR. MURPHY: Sure. Please do. I thought that's
12 what you were doing during the break.

13 MR. WHITE: I'll be happy, if you want to take the
14 time, I'll be happy to go line by line through the whole
15 stack. I frankly primarily focused on the areas that were
16 highlighted --

17 MR. MURPHY: That's fine.

18 MR. WHITE: -- in yellow.

19 MR. MURPHY: Yes, sir.

20 MR. WHITE: Would you like me to do that?

21 MR. MURPHY: Please.

22 (Pause.)

23 MR. WHITE: I don't know if you want a comment on
24 each of the highlighted areas.

25 MR. MURPHY: If you look at the highlighted areas,

1 if you find any items that are familiar to you, fine. If not,
2 so state it.

3 MR. WHITE: All right. On page 7, paragraph E,
4 Welding Programs (Tab E), it's highlighted, the first three
5 bullets and none of that is familiar to me.

6 On page 8, III(a), second bullet is highlighted and
7 that is --

8 MR. MURPHY: What is that?

9 MR. WHITE: "Operating unit planning generally
10 weak. No integrated planning and new construction at Watts
11 Bar," is not familiar to me.

12 Page 9, paragraph D, labeled "Others", the second
13 and third bullets are highlighted. Am I doing this properly?

14 MR. MURPHY: Fine.

15 MR. WHITE: The first one is, "NSRS actively
16 significant. Evident that Q/A not working; no other
17 communication safety valve exists." I've not seen that. I
18 don't understand what it means now.

19 The next bullet that's highlighted is, "Middle
20 level managers don't understand what NSRS activity is saying
21 about overall organizational effectiveness." And I don't
22 recall seeing that.

23 Page 16 which is Tab A --

24 MR. MURPHY: Let me interrupt one moment. As
25 opposed to you seeing these particular comments, I'm asking

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1 have you heard the comments? Were you briefed on this
2 information?

3 MR. WHITE: No, I don't recall being briefed
4 specifically on this.

5 MR. MURPHY: Fine.

6 MR. WHITE: Page 16, Tab A, Engineering Assurance
7 Program, part of that introductory paragraph is highlighted,
8 specifically the last three sentences. "We found that in
9 general TVA engineering has a reasonably broad procedure
10 base, however, ample evidence" -- and it isn't clear what
11 this is referring to -- I can't tell now whether we're
12 talking specifically about TVA in general or Watts Bar or
13 ~~Sequoyah~~ ^{Sequoyah} ~~Sequoyah~~. "However," ample evidence exists that procedures are
14 not followed. The audit program has no teeth in it. The
15 audit program and corrective action program should be
16 strengthened. A program for control of procured engineering
17 services should be "developed." And that's an unfamiliar
18 statement.

19 MR. MURPHY: Okay.

20 MR. WHITE: Page 17, Paragraph 2, again I don't
21 know what we're referring to -- It must be the engineering
22 assurance program. That's what it appears to be. "The design
23 control process needs better documentation and "definition."
24 And then highlighted is the last sentence in the introductory
25 paragraph there. "We" saw several key examples which indicated

1 this design process is not understood and I assume that's a
2 typographical error. It should be is not understood. That's
3 not familiar to me. llw

4 Page 18. Paragraph 3. highlighted is "the audit llw
5 program needs additional emphasis including an extension into
6 the field of technical auditing" and then under that, is a llw
7 sentence or two highlighted. "We" suspect that this situation llw
8 arose because of the inadequate documentation of the design
9 process described "earlier" and I don't know what that refers llw
10 to. "However, an effect audit program should" and then it goes llw
11 to Page 19, "have" reviewed that documentation problems were
12 occurring and an effective corrective action program should
13 have resolved the problems some time ago".

14 By the way, I just noticed and it may have occurred
15 earlier also, but if I look at some of the other things that
16 are said, the sentence after that one and maybe I should go
17 back and review -- although I haven't seen this either -- but
18 the next sentence says, "plans" do exist to strengthen the llw
19 program. However, inadequate staffing, budget and priority
20 exists to realize the improvements "soon". So I'm just looking llw
21 at the highlighted portion.

22 MR. MURPHY: Sure. I'm only asking if then
23 thoughts were related to you.

24 MR. WHITE: All right.

25 I'm now on page 12 and I'm not sure this is the

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1 same document. It's Roman V. It's entitled "Opportunities for
2 SWEC Involvement." Paragraph A(2) is highlighted. "Provide
3 an overview of the plant quality package submissions to NRC
4 (specific request of Watts Bar Site Director (acting) Ennis)." 62
5 And I don't recall that and I'm not sure I understand right
6 now what that sentence means.

7 And Paragraph 4, development of an engineering
8 assurance program, under B --

9 MS. BAUSER: Are you familiar with Number 47

10 MR. WHITE: In terms of this document, no. In
11 terms of subsequent to my arrival -- I assume you're asking
12 me what I knew at the time, not what I've learned in the last
13 year.

14 MR. MURPHY: Surely, let me say this. It's not what
15 you've learned since the submission of the letter on March
16 20th.

17 MR. WHITE: I thought that's what you meant and
18 that's the way I'm answering you.

19 MR. MURPHY: And I guess what I'm really getting at
20 here is what did all these discussions involve? I mean from
21 what we're told, these are documents generated as a result of
22 that initial SWEC meeting. Right? And it appears that none
23 of this was brought to your attention. Is that a correct
24 assumption on our part?

25 MR. WHITE: Yes. Let me be very clear. This one

1 that says opportunities for SWEC involvement. You know, I
2 don't know when that was prepared or who prepared it or what.
3 But I wasn't involved with the marketing and this looks like
4 a marketing document, frankly.

5 MR. MURPHY: It may well have been.

6 MR. WHITE: And I wasn't involved with the
7 marketing. It's not at all strange to me that they wouldn't
8 have come to me with a marketing document. I wouldn't have
9 reviewed it. I had nothing to do with marketing. I refused
10 to be involved with marketing.

11 The next one is Paragraph 2 and highlighted is --
12 Well, it says, "provide" help for Brown's Ferry, and, then *Edw*
13 highlighted, is "Watts Bar Environmental Qualification
14 Program." And it says ("services of something, AOD or ACD.") *Edw*
15 And I don't know what that means. And I'm not familiar with
16 that.

17 Page 13, I think, of the same document, Paragraph
18 7 says, "document control and work tracking system for Watts *Edw*
19 Bar and Bellefont," and I'm not familiar with that.

20 Page 14, highlighted is Paragraph F, "assume
21 management responsibility for expediting and implementing the
22 configuration control program at each site. This service
23 would be dependent upon senior TVA management support in this
24 particular area." Now, that paragraph is not familiar to me *Edw*
25 and I've not seen it. Configuration management, I am

1 familiar with that subject coming up during the Brown's Ferry
 2 visit with regard, as I remember, to technical manuals. But
 3 in terms of specifics of this, I am not familiar with it.

4 Paragraph 9 is highlighted. "Help solve
 5 welding/material traceability problems." And I wasn't privy
 6 to certainly know anything about that.

7 Paragraph 10 on Page 15 says "QA/QC
 8 consulting/selling QA plan and procedures" and I'm not
 9 familiar with that. That's obviously a marketing sentence.

10 "The corporate corrective action program" and I'm now
 11 on Page 20, Paragraph 5. "The corporate corrective action
 12 program (CAP)(Criterion 16) needs additional strengthening in
 13 enforcement" and that isn't something that I recall discussing
 14 or having knowledge. And I think that's part of that same
 15 thing that I'm calling a marketing document. This all may be
 16 a part of that same thing.

17 Page 32, Tab D, "configuration control and design,
 18 basic documentation." Sub-paragraph A, "lack of a rigorous QA
 19 program" is highlighted. And that, specifically, although
 20 problems were, I'm sure, discussed about QA, you know, I'm
 21 not familiar with that sentence having seen it written in
 22 that way.

23 I'm not sure that this deals with Watts Bar. I'm
 24 not sure what any of these deal with. But it says likely to
 25 occur at Watts Bar and so I'm not sure that this came from

1 another plant. Oh, no, this came from Brown's Ferry. The
2 recommendation to this one is Brown's Ferry, so I'm not sure
3 what we're dealing with.

4 MR. MURPHY: Let me shoot a question by you.

5 MR. WHITE: Do you want me to finish this?

6 MR. MURPHY: No, that's fine.

7 MR. WHITE: Okay.

8 MR. MURPHY: It appears from what you've said so
9 far, please correct me if I'm wrong, that from all these
10 documents we've received as a result from SWEC related to
11 that study, that quality assurance was a problem. I mean
12 they viewed it as a problem. They viewed it as an
13 opportunity to do some work at TVA probably. And I guess
14 what I'm asking was quality assurance not one of the major
15 issues that was developed as a result of this particular
16 study?

17 MS. BAUSER: Could I interject something about your
18 question?

19 MR. MURPHY: Sure.

20 MS. BAUSER: Mr. White is not familiar with these
21 documents. Now, if you're asking him just the last part of
22 your question which is was QA a problem, he can answer what
23 he knows from his recollection.

24 MR. MURPHY: I fully understand that.

25 MS. BAUSER: But it's not reasonable for him to

1 generalize about those documents which he's only seen some
2 pages of.

3 MR. MURPHY: I'm not asking him to generalize. I'm
4 generalizing about those documents. I'm saying in review of
5 these documents which were given to us by Stone & Webster
6 which would tend to indicate that this was their observations
7 during an x number of days during November, 1985 of which Mr.
8 White was identified to us as a team member. Right? That we
9 are trying to determine whether these items that the team
10 apparently thought were some problems with were expressed to
11 Mr. White. And surely a good number of these items appear to
12 be quality assurance related type items. And in their
13 letter, they're even suggesting to TVA that to do a follow-up
14 to the work. Right. And that they concentrate at Watts Bar
15 quality assurance, design configuration.

16 And I guess what I'm asking Mr. White is from the
17 conversation or at least from his responses so far, it
18 doesn't seem like quality assurance was discussed very much
19 at these meetings and particularly at Watts Bar.

20 And if I'm characterizing that wrong, please
21 correct me.

22 MR. WHITE: Well, you know, I think perhaps you
23 are. Let me try to explain again. To ask me now to recall
24 in October, specific issues, technical or anything else
25 including QA that were discussed, I just simply am unable to

1 answer those questions. I can tell you that -- and I have
 2 told you that -- in my own observations from a management
 3 sense, QA at ~~Sequola~~^{Sequoyah}, I sat in and talked to the QA person. Edw
 4 I think he is the only person in QA that I discussed.

5 Whether or not the topic of QA or something else
 6 specific was discussed, what I'm saying is I don't recall it
 7 I was focusing, remember, on a couple of things; one being
 8 management and the second, learning as much as I could about
 9 the commercial industry. There were many things that were
 10 discussed that I simply didn't understand and I would write
 11 myself notes and I would then try through various means to
 12 become educated.

13 But your question is was quality assurance some big
 14 thing? I don't recall it as being -- There was a quality
 15 assurance guy on the task force. I don't remember it being
 16 any more discuss^{ed}~~ion~~ than was document control, document Edw
 17 reproduction. What I'm saying is I didn't focus on quality
 18 assurance, up here, as the major problem. Clearly I didn't.

19 MR. MURPHY: Does the Navy have the equivalent of a
 20 quality assurance program?

21 MR. WHITE: Does the Navy have a quality --

22 MR. MURPHY: Let's get it even closer home. Does
 23 the Nuclear Navy Program have a quality assurance program?

24 MR. WHITE: Yes, ~~Could find it~~. It's not done Edw
 25 perhaps the same or organized the same as commercial, but

1 yes.

2 MR. MURPHY: I mean is it a fairly in-depth
3 program?

4 MR. WHITE: In the Nuclear Power Organization,
5 certainly.

6 MR. MURPHY: You could not relate at this time your
7 Naval experience to quality assurance. I mean if quality
8 assurance was mentioned to you, would you not be able to
9 relate to that in some sense?

10 MR. WHITE: In some sense, but the point I'm trying
11 to make is the Navy has document control, configuration
12 management clearly.

13 You're asking in October, did I kind of focus on
14 any of those and the answer is no. I had obviously knowledge
15 of these various programs within the Navy. For one thing,
16 the language I found was entirely different and sometimes, a
17 phrase would be used to me and I would go back and check and
18 say, "What does that mean?" And they'd say well, this, that
19 and the other and I'd say, "Oh, what you mean is..." and I'd
20 have a different phrase. That meant that the whole
21 conversation that I heard I really, you know, wasn't
22 knowledgeable enough to understand at the time.

23 MR. WILLIAMSON: Any other questions?

24 MR. REINHART: Mr. White, are you familiar with MII

25 Q 98587

1 MR. WHITE: I'd have to look at the document.

2 MR. REINHART: It doesn't ring a bell at all.

3 MR. WHITE: It does only with respect -- It sounds
4 like a number of a document that -- 9858.

5 MR. REINHART: Mil Q 9858.

6 MR. WHITE: It sounds like the document that was
7 mentioned to me by either Mr. Houston and, or Mr. Kelley in
8 preparation for my hearings with Congressman Dingie^{ell} and that
9 would have been in May or maybe early June.

10 In one of the discussions in preparing me for that
11 testimony with a number of the staff members, one of the QA
12 people mentioned to me a couple of documents, Mil Standards
13 or Mil Q, as being the Navy's QA program. I have never gone
14 back and looked at this. I don't know if I'm familiar with
15 those specific documents or what they say.

16 MR. REINHART: In your experience with Naval
17 material, did you ever have an opportunity to look at the
18 Navy's QA program, which is -- you're right in your
19 supposition -- Mil Q 9858 is the Navy's QA program?

20 MR. WHITE: I'm sure at one time or another I
21 looked at it. There's no question in my mind I looked at QA
22 programs. From my vantage point, people -- as I'm sure you
23 are familiar with the Naval organization -- At the time when
24 I would have been involved in that level of detail and that
25 would have been perhaps as a division officer or as the

1 engineer of a nuclear submarine, I would have been familiar
2 with the squadrons, the parent squadron, my superiors' view
3 of quality assurance.

4 At the time I was an engineer, the submarine force
5 did not have such a thing. They later as they evolved had
6 such a program of quality assurance including inspections and
7 various things. Obviously, I was much more senior and I
8 didn't go back and review what those particular manuals and
9 requirements were. But there's another part of the Navy in
10 terms of the Naval ship systems command and they have various
11 of their own documents which I'm certain the engineering duty
12 officer people would be familiar with it. As a line officer,
13 I would not have been familiar with.

14 MR. REINHART: Okay. Did you ever have an occasion
15 in your mind as you came into the nuclear industry to compare
16 what you knew of just the basic structure of the Naval
17 nuclear QA requirements versus what 10-G-50 Appendix B said?
18 Was there any familiarity or similarity?

19 MR. WHITE: Say that again, please?

20 MR. REINHART: Okay. You had some knowledge,
21 whatever it was, of what the Navy did in QA.

22 MR. WHITE: Yes.

23 MR. REINHART: And when you came into the civilian
24 industry, you got some introduction to 10-G-50 Appendix B
25 which is that program's QA program. Did anything strike you

1 as being similar between the two?

2 MR. WHITE: Oh, yes, yes. The first time I
3 reviewed the so-called Appendix B, some of the criteria in
4 there -- I said, "Gee, that's interesting" because the Navy
5 has a program that does that kind of thing. In the general
6 management sense. In that respect, yes.

7 MR. REINHART: Okay. With that background and
8 having your overall responsibility for this management
9 assessment, whether you focused on it as the primary thing or
10 not, did any of these people or any comments strike you
11 somewhere during that process that QA is a problem, if not
12 the problem, a problem?

13 MR. WHITE: No. Well, let me, again try in this
14 respect. Within the Navy, which has a QA program,
15 inspections and audits are done, for example, and they turn
16 up deficiencies which are then looked at and corrected, if
17 necessary.

18 The Navy does not have, and this is the distinction
19 which to my knowledge something they call a corrective action
20 program or ~~WRC's~~ ^{NXP's}. So the terminology is different. I have Ed
21 never and I'm not sure this is what you're asking, but I've
22 never gone back and tried to dovetail all of those Navy
23 requirements into how they reflect in Appendix B or the
24 civilian world.

25 MR. REINHART: I'm just asking from whatever

1 comparison there was as you went through this systematic
2 analysis, I mean the management assessment, from your
3 position of overall in charge, having your frequent briefings
4 or listening sessions and reviews with the Board, reviews
5 with Mr. Parris, discussions with all these people that
6 somehow wrote all this other number of documents here, did
7 the thought of QA being a large problem ever ring a bell with
8 you?

9 MR. WHITE: The only thing I have to say is, you
10 know, we talked earlier about using another adjective. When
11 you say large, I don't know if I would categorize it as any
12 larger than the management problem.

13 Let me tell you how I viewed the thing. Let me be
14 very frank. I viewed it as I have just come aboard a ship
15 and I see some problems in the ship and it doesn't look to me
16 like the commanding officer is leading the ship and managing
17 it properly and therefore, I am not surprised to find problems
18 exist in the ship. If it had been a ship and based on my
19 experience of having inspected many ships, I could, without
20 much difficulty, label that ship as one of the top few or one
21 of the bottom few, or unsatisfactory.

22 When I reviewed at TVA, I didn't have that ability.
23 I wasn't calibrated to know. And that's the reason that I'm
24 saying, when you say big versus little, I had no way of
25 knowing because I couldn't compare that directly -- and

1 that's what you're asking -- with my Naval experience. I
2 simply couldn't.

3 MR. REINHART: Just with background -- Naval
4 experience is background -- did QA from all this discussion
5 appear to be one of the problems?

6 MR. WHITE: Yes.

7 MR. REINHART: Okay. You mentioned before in
8 comparison, you said it wouldn't be larger than the
9 management issue. Would it be the same as the management
10 issue, smaller, just rough figures?

11 MR. WHITE: I can't go back to October and remember
12 that. In terms of judging, saying what did you think of in
13 October. And my difficulty is I've learned so much since
14 then. I've learned a lot and I'm not an expert, believe me,
15 but I've learned a lot and so it's difficult to go back and
16 even climb into my own mind and say what did you think at
17 that time. I can't do that. I don't know how to.

18 MR. REINHART: Okay.

19 MR. MURPHY: We'll move on to another topic. I'm
20 sure you're happy to hear that. I think maybe I am.

21 MR. WHITE: Look, I want to make clear to you I'm
22 here to provide you the best information I can. You can stay
23 on any subject as long as you want. It frankly doesn't
24 trouble me. I want to provide you with what I can that will
25 help you in what you're trying to do. You have a difficult

1 job and I want to help you if I can.

2 MR. MURPHY: We certainly appreciate it.

3 Are you aware of the systematic analysis of
4 identified issues/concerns at TVA? Some folks have referred
5 to this as the Nace Report. Some people have referred to
6 this as the Kirkebo report. I mean we get a lot of
7 different things from a lot of different people. So let me
8 show you this is a memo to L. D. Nace from J. A. Kirkebo
9 dated February 14, 1986 and the subject is systematic
10 analysis of identified issues/concerns at TVA. Would you
11 look at that, please?

12 MR. WHITE: Sure.

13 MR. WILLIAMSON: Without the attachments.

14 MR. WHITE: Pardon?

15 MR. WILLIAMSON: Without the attachments.

16 MR. MURPHY: We have the attachments if you would
17 like to go over them.

18 (Pause.)

19 MR. WHITE: I'm taking time to read the document.
20 I'm familiar with what went on. It's been a long time since
21 I've seen this and I guess if you're going to ask me
22 questions about it, I should read it.

23 MR. MURPHY: Surely. Take your time.

24 (Pause.)

25 MR. WHITE: I'm familiar with having seen the

1 document well over a year ago, yes.

2 MR. MURPHY: This analysis took place after you
3 became the manager of the Nuclear Power. Is that correct?

4 MR. WHITE: Yes, correct.

5 MR. MURPHY: Who directed that this systematic
6 analysis be conducted?

7 MR. WHITE: I honestly can't answer whether I did
8 as a result of a suggestion. But the point is I clearly knew
9 what was going on. Whether I said go do this under these
10 requirements, I don't recall. But I clearly knew what was
11 going on and discussed things several times with Mr. Nace
12 during the progress of it.

13 MR. MURPHY: Were you familiar with the team
14 members at all?

15 MR. WHITE: I don't believe so. Certainly not at
16 the time. Whether the names are familiar to me now, I'd have
17 to look at the list. But at the time, I was not familiar
18 with them other than Mr. Nace. I clearly was familiar with
19 Mr. Nace.

20 MR. MURPHY: Mr. Kirkebo, did you know Mr.
21 Kirkebo?

22 MR. WHITE: I don't believe at that time I did.
23 Somewhere in that period of time, I met him. Whether it was
24 before, during or after this, I don't remember.

25 MR. MURPHY: Do you have any idea at all as to what

1 their credentials were for the individuals who participated
2 in this analysis?

3 MR. WHITE: Not directly. As I recall, someone,
4 perhaps Mr. Nace, told me that the individuals were
5 knowledgeable.

6 Let me stop to categorize what this thing was.
7 That might be helpful.

8 MR. MURPHY: Sure.

9 MR. WHITE: We were getting ready -- at that time,
10 I felt that we had to revise the so-called Nuclear
11 Performance Plans for TVA, the corporate and at various
12 sites. What we were trying to do is to have someone catalog
13 or list everything anyone had said bad about TVA. Take
14 anything bad that people said -- in fact, at one time, I
15 suggested and then decided not to, was to take anything the
16 press, the media had said bad and I was convinced that that
17 wasn't necessary because they were merely a reflection of
18 what Congress, the NRC or TVA or the NSRS and the other
19 groups had said. But it just listing^{ed}_{ing} any allegations, list
20 them all and kind of shake them up and see if you get piles
21 that are similar to you that will help in trying to decide
22 where are fruitful areas to go look and to cause change.

23 MR. MURPHY: Was Mr. Nace, in fact, in charge of
24 this?

25 MR. WHITE: To the best of my knowledge he was.

1 Because he's the person I balled out when I saw the first
2 results which didn't make any sense to me. The first results
3 were pie charts and I said, "Look, I want something that's
4 easily understandable." So he's the individual I talked to
5 at the time.

6 MR. MURPHY: Did that result in this memo, do you
7 know?

8 MR. WHITE: Did what result?

9 MR. MURPHY: Your asking Mr. Nace, you know, you've
10 got these pie charts and all of this stuff.

11 MR. WHITE: I wanted something understandable. I
12 don't know without all the enclosures. This may have been
13 the first document, the one I didn't like, or the second. I
14 don't see the pie charts in here, so I assume, it's the
15 second. So he would have gone back and converted to English
16 that we could all understand many of these phrases. He did
17 not take out one of the things, I just noticed, that I
18 mentioned. He talked about Pennsylvania State and some kind
19 of system -- VARCO (1977) -- What he calls the nominal group
20 process. And that was in, I remember, the earlier version
21 and I said, "You know, who understands other than you, what
22 the hell that means? Can't we put this in English?" And
23 now, I see he didn't put it in English.

24 MR. MURPHY: Could you be a little bit more
25 specific about the type of documents they reviewed as you

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1 understand it?

2 MR. WHITE: My understanding was that they would,
3 in a very conservative manner and I'll explain that in a
4 second -- My understanding was that they were going to go out
5 and find all allegations from many of the sources that were
6 involved about problems at TVA. I recall that they looked at
7 hundreds of documents, hundreds. I know that later because
8 of the question by Mr. Henry Myers, and this is much after Ed
9 this, caused the system to go back and actually get a
10 computer runout of all of those documents, so I could send it
11 to Mr. Myers who didn't believe they'd really, I think, looked Ed
12 at all those. And as I remember, there was 857 or some huge
13 number. They looked at them.

14 When I said conservative, they found that many of
15 those documents were meaningless or in other words, they
16 really didn't have allegations and in many cases, there were
17 duplicates. So it was a very conservative way to find out
18 what does everybody think the problems are from knowledgeable
19 sources and list all those things. And then have, as
20 described in here, by this VARCO method or whatever it is,
21 have another group look and I guess they assigned points or
22 something to end up with determining what they called the
23 validity. Which was did we sort these lists in appropriate
24 piles and have somebody cross check it. That's my
25 understanding of what they did.

1 MR. MURPHY: Were these 800 plus documents -- is
2 that the documents that you referred to in the March 11th
3 meeting before the Commission and in several newspaper
4 articles you referred to that we've reviewed 800 documents?
5 Is that the same 800 we're talking about or are we talking
6 about 800 different documents?

7 MR. WHITE: I'd have to look at what you're talking
8 specifically about. If I used the word 800, my assumption
9 would be these 800. I'd have to look at the specific --
10 whatever you're referring to.

11 MR. MURPHY: That term was used in the March 11th
12 meeting before the Commission when you talked about 800
13 documents.

14 MR. WHITE: Oh, yes. Yes, that would have been the
15 same that we'd looked at, yes.

16 MR. MURPHY: What was the results of that as you
17 viewed it?

18 MR. WHITE: Well, I'm going to go back and look.

19 MR. MURPHY: Sure.

20 MR. WHITE: From memory, it confirmed that there
21 were management problems, organizational problems with regard
22 to allegations. There were enough allegations that were
23 areas that I thought were fruitful to get into. And that
24 really caused them -- It was an input into exactly what are
25 the organizational difficulties, kind of what are some of the

1 possibilities if those allegations are true. Then there was
2 some subjectivity, you know, from the date. I'd been here
3 roughly a month. I don't know when I saw this completed
4 document. But I'd been there long enough to have personally
5 observed a number of things. So in some cases, it was "ah
6 hah, that confirms what my subjective view is in the
7 organization over there and I should do something about that
8 organization."

9 MR. MURPHY: Let me ask you, were you personally
10 briefed by Mr. Nace about the results of this?

11 MR. WHITE: I don't recall being personally briefed
12 by Mr. Nace. He may have.

13 Let me stop for a second to say that I talked
14 earlier about the enormous magnitude and I think maybe it's
15 appropriate for me to define what I mean and perhaps, you'll
16 get a better understanding then of whether or not I was
17 briefed by Mr. Nace.

18 In the period between my arrival on the 13th of
19 January and the March 20th letter, I had hundreds, hundreds
20 of things I was trying to handle. Let me give you some for
21 examples, that will perhaps help you put it in context.

22 During this period, I had gone out and talked to
23 9,000 or 10,000 people at TVA, large groups, small groups and
24 many just one on one; visited the plants to get a personal
25 observation of the people, the management, the cleanliness

1 and the things that were obvious from such a view.

2 I was meeting with the chief executive officers of
3 a number of major firms in the U. S. to get their commitment
4 to support TVA with the best management talent they could
5 get. I was conducting interviews of people from the outside,
6 major corporations, a very time consuming process. Where at
7 the time, I think, I was getting the best people they could
8 nominate. I was interviewing and selecting perhaps one out
9 of five of those. I was -- when I say I, obviously it's TVA
10 -- We were preparing for a Commission brief on the 11th of
11 March. A very important event. My first briefing of the
12 commissioners as to what I thought the problems were at TVA
13 and what I intended to do to fix them.

14 We were conducting major organizational changes
15 which involved many, many late night meetings with a number
16 of my senior managers present, so that I could make decisions
17 on how I wanted this place organized to make it most
18 effective.

19 We were in the process and were, in fact,
20 establishing task forces at each site which involved again
21 interviewing a large number of people, giving them direction,
22 getting out there with those task forces to make sure they
23 were starting and going in the direction I wanted to
24 actively, aggressively find problems, come to me with
25 proposed solutions.

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1 A lot of my time was spent in trying to get the
2 organization to rewrite the position description of every one
3 of the approximately 1800 managers. It was very difficult
4 because as a government bureaucracy, they didn't want to c
5 completed document. But I'd been there long enough to have
6 personally observed a number of things. So in some casr
7 organizational changes which involved many, many late night
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16 actively, aggressively find problems, come to me with
17 proposed solutions.

18 A lot of my time was spent in trying to get the
19 organization to rewrite the position description of every one
20 of the approximately 1800 managers. It was very difficult
21 because as a government bureaucracy, they didn't want to
22 celse TVA had had. I would call an honest, forthright
23 employee concern program. That took a lot of my time because
24 I had to get those people to be receptive to employee concerns.

25 We had a major effort going forth on the Watts Bar

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1 employee concerns issues as to how best to structure that to
 2 come to grips with what are the problems at Watts Bar, how do
 3 I know that's all the problems, can they be resolved, how
 4 should they be resolved, an immense effort. I was involved
 5 -- Literally, by March, 30 or 40 percent of my time with all
 6 these other things going on, I would estimate 30 to 40
 7 percent of my time was spent on one issue^f, conflict of
 8 interest. Issues with lawyers -- No offense. Issues that
 9 were repetitive in terms of that issue.

10 I was establishing site representatives at each of
 11 the sites which again, an interview process because I did not
 12 want TVA in those positions, I wanted outsiders that would
 13 give me honest facts as to what the hell they saw going on.
 14 I did not want to solely depend on the TVA line management.

15 And of course, I was looking at a myriad of
 16 technical issues daily, daily. I say the next thing not
 17 bragging, but so you have a feel. My average work week and
 18 at one time I computed it, was between 90 and 100 hours a
 19 week. I had so much going on that when I say immense, I mean
 20 immense in terms of what I was trying to accomplish.

21 I had problems at that time, in a contractual
 22 basis, with ^{QTC}~~GalTech~~ Company. RAW

23 I had a review going on of the Nuclear Safety
 24 Review Staff by a Mr. ^{Stier}~~Stier~~ who provided me information and Cui
 25 then I had that entire issue to deal with.

1 I was spending, frankly, a lot of time on a
2 frequent basis talking to the Department of Labor
3 investigators on the whistle blower cases. I personally took
4 charge of that effort because I didn't want to trust the TVA
5 line management. I insisted in that single area because it
6 dealt with harassment and intimidation. I insisted on hands
7 on personal control. A lot of people felt I shouldn't have
8 done that because of the time involved. I thought it was
9 important because I wanted to stamp out harassment and
10 intimidation. I spent innumerable hours with those
11 Department of Labor investigators while, frankly, they
12 educated me on what the real TVA management system was doing
13 and this isn't just at the construction of Watts Bar, it's at
14 ~~Sequoyia~~ ^{Sequoyia} it's Brown's Ferry, it was in the headquarters. I
15 spent many hours in that effort.

16 There are a lot of other things. I could sit here
17 with you literally probably for an hour describing those.

18 As a result of those things, I was receiving an
19 enormous number and I couldn't even guess, but in terms of
20 reports, very frequently, sometimes more than once a day,
21 from my representatives at the sites, from the site
22 Directors, from the Division of Nuclear Engineering. And by
23 the way, I might mention I was also interviewing TVA people,
24 the man responsible for construction, the man responsible for
25 licensing, the man responsible for engineering and forming

1 judgments as to their capability, their honesty and their
2 ability to withstand change because change was coming.

3 I would receive reports of an enormous number as
4 I've said from site representatives, from the site director,
5 sometimes that information wasn't the same and I would
6 depend then on going to other sources, trying to find out
7 what the hell is the real truth of this particular thing.

8 Technical issues were coming to me. I had to first
9 try to understand the technical issues, enough to make
10 judgments on those issues, to make decisions on those issues.
11 I had to ask, I'm not an expert in those areas. I had to be
12 comfortable with asking enough questions of these individuals
13 coming to me with various reports, with updates, to assure
14 that that guy knew what he was talking about. In some cases,
15 they didn't and I got rid of them. In my opinion, when they
16 didn't know what they were talking about, when they weren't
17 being up front, I got rid of them. And you can follow the
18 trail on that very easily.

19 Now, I'm saying this because you've got to get a
20 feel. One of those enormous number of things was Larry Nace
21 perhaps coming in to me and saying to me, "Admiral White, let
22 me tell you what we're doing and where we stand." I don't
23 recall specifically whether he did or didn't do that. Like
24 if you said to me, "Did you site representative from ^{Sagoosh} ~~Sagoosh~~
25 on a certain date call you and say such and such?" I

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1 I couldn't possibly recollect that event. There was just too
2 much going on.

3 So I want to put it in context. When you ask these
4 things, I'm doing the best I can to answer, but specifics as
5 to whether a guy came in and briefed me, I don't know. I
6 hope that's somehow helpful. And believe me, if you want to
7 know the magnitude of what I'm trying to do, maybe when this
8 is all over and you're through questioning me, I'll be happy
9 to sit down with you as a matter of interest to you, frankly,
10 and tell you the many other things that went on then and
11 subsequent.

12 I haven't, for example, mentioned the areas outside
13 of Nuclear Power that weren't even associated with it that I
14 was having problems with, who were actively opposing what I
15 was doing as an outsider. I haven't even mentioned that, but
16 I'd be happy, as a secondary item, if you're interested.

17 So I'm sorry to have taken so long, but you need to
18 know the whole context of what the hell we were doing in that
19 first quarter of '86 and even as I look back today, we made a
20 tremendous amount of progress in a government bureaucracy, we
21 really did, ^{GAJ} ~~in~~ a broad front. Edu

22 MR. MURPHY: I appreciate all your efforts and I'm
23 sure it took a great deal of your time. The only reason I'm
24 asking about this briefing, as I understand that document,
25 some of the information there was used to develop this

1 Nuclear Performance Program which was, in fact, going to
 2 correct some of these problems that you said existed. I
 3 mean, I think the document says that.

4 MR. WHITE: Let me be very frank with you as to
 5 what was going on in the preparation of the document.

6 I did not have, until the very late stages of that
 7 document, an involvement with precisely how it was being
 8 prepared.

9 MS. BAUSER: This is the Nuclear Performance Plan.

10 MR. WHITE: Nuclear Performance Plan, Volume I.

11 I had decided on certain management changes in the
 12 beginning that I wanted reflected in that document. I made
 13 decisions as ^{would} the Chief Executive Officer of ^{& cooperation} ~~correction~~ I
 14 wanted the non-nuclear stuff, for example, taken away. I
 15 didn't want to run truck diesel engine overhaul facility.
 16 Even though it was the best in the southeast, I didn't want
 17 to run it. I didn't want the responsibility for the 52 dams
 18 and that kind of thing. I made that decision -- as a
 19 management decision, that's out.

20 I also made the management decision that within
 21 reason, I wanted all the nuclear stuff brought under my wing.
 22 I wanted it taken away from people who didn't have the
 23 responsibility and placed in this organization.

24 I made the decision that I wanted a centralized
 25 control of the organization. I did not like what's called

1 the -- what the hell is that called?

2 MR. CHARNOFF: Owner/operator.

3 MR. WHITE: Thank you -- owner/operator concept of

4 decentralize everything. let everybody do their own thing.

5 So I established the guideline. if you will. strong

6 centralized control. I'm going to have my hand on the

7 throttle or the guy's neck, whichever way you might view

8 that. Strong centralized control. I wanted something I was

9 familiar with, strong centralized engineering management. I

10 wanted the engineering organization changed to a system I

11 thought was better, ^{like OMR} that I had known in the Naval Nuclear

12 Power Program. And that change was strong centralized

13 headquarters technical direction.

14 I ^{made} had the decision early on in QA which is what

15 you're interested in. And this is part of the owner/operator

16 concept I want ^{ed} to get rid of. I said I want a strong

17 centralized control of that. QA is important to me. I want

18 that guy reporting to me.

19 Somewhere in this evolution, I became privy to the

20 information that we had five different QA manuals, five

21 different sets of instructions. Everybody had their own QA

22 organization.

23 Now, will such a system work? Yeah, you can make

24 it work. Is it the system that I wanted? No. I said let's

25 get ^{organized} ~~one~~. Again, I want the QA guy reporting directly to me

1 and I want those other people reporting to him. I'm a QA
2 believer. I want a strong QA organization.

3 I made a multitude of that kind of decision that
4 would be reflected later. The employee concern program,
5 those kinds of things. I made top management decisions.
6 Here's what I want. They then went off and prepared -- they
7 being TVA, certainly the advisors from the outside were
8 involved -- they went off and prepared for my ultimate review
9 and signature Volume I of the Nuclear Performance Plan.

10 I don't know specifically the details, with the
11 other things I had going on. I frankly even if I'd wanted
12 to, didn't have the time to know the details of what they
13 were feeding in and frankly, what parts of this particular
14 thing they used or didn't use, nor do I recall ever giving
15 specific instruction of what they could use or not use in
16 preparation of that plan.

17 So I am not familiar with the details of how they
18 carried out my policy decisions and directives. I just
19 assured myself when the volume was through and I reviewed it
20 and I asked a lot of questions, that it reflected what I
21 wanted. Okay?

22 MR. MURPHY: Let me ask you, so that we can --

23 MR. WHITE: I'm sorry I'm taking too much of your
24 time, but --

25 MR. MURPHY: No, no, please take all the time --

1 It's your time.

2 MR. WHITE: Okay.

3 MR. MURPHY: It lists the list of identified the
4 problems in this thing. Would you look at that? I think
5 there's some sixteen identified problem areas.

6 MR. WHITE: It says, you may be -- Page 5. Are you
7 referring to Page 5 where it says each issue or concern was
8 summarized and encoded into -- and in to is incorrect, it's
9 one word instead of two. I also demand proper grammar.

10 I hate to say it, but can we take a break, please.

11 MR. MURPHY: Sure.

12 MR. WILLIAMSON: Why don't we break for lunch?

13 MR. WHITE: Is it lunchtime already?

14 MR. REINHART: Are we off the record?

15 MR. WILLIAMSON: Yeah, we'll take a break. It's
16 11:57.

17 (Whereupon there was a pause for luncheon.)
18
19
20
21
22
23
24
25

AFTERNOON

1
2 MR. WILLIAMSON: For the record, the time is 12:37.
3 During the break -- the preceding break, we were discussing
4 the scheduling of Mr. White and Mr. Wegner. Mr. White has
5 indicated that he will need to depart today at 3:00 o'clock.

6 MR. WHITE: And that's means Atlanta, so I have to
7 leave here by 2:30.

8 MR. WILLIAMSON: Okay. And Mr. Charnoff expressed
9 some concern about how long we might be -- it might take us
10 to conclude this interview. We think that it will take us
11 longer than what the time we have left. So, we're trying --
12 in an effort to -- to complete this interview process, we
13 have decided that we would like for Mr. White to come back
14 here Thursday. He can spend tomorrow getting his business in
15 order, and with regard to the Wegner -- Mr. Wegner interview,
16 let's put that on hold indefinitely, until we are able to
17 complete our interview with Mr. White.

18 MR. CHARNOFF: Can we go off the record?

19 MR. WILLIAMSON: Well, we can discuss this on the
20 record.

21 MR. CHARNOFF: Okay. I don't know what Mr. White's
22 schedule is Thursday, but I know that I've got a problem
23 Thursday.

24 MS. BAUSER: So do I.

25 MR. CHARNOFF: I've got to be in Baltimore

1 Thursday. What does Monday and Tuesday look like? You can't
2 come up to Chattanooga tomorrow?

3 MR. WILLIAMSON: No, sir, we would prefer to have
4 the interview here.

5 MR. CHARNOFF: Okay, I understand.

6 MS. BAUSER: Can you come here on Monday?

7 MR. WHITE: I've got to look at my schedule -- what
8 I don't know -- the only thing that would preclude me from
9 any of these, is if I have a scheduled NRC meeting.

10 MR. WILLIAMSON: Well --

11 MR. WHITE: And I don't think I have one either
12 Thursday or Friday, but beyond -- and I don't think I have
13 one on Monday.

14 MR. WILLIAMSON: Can you come back tomorrow?

15 MR. WHITE: I'll have to look, and try to arrange
16 the one meeting I have. Let me -- can I take a break, and
17 call my office.

18 MR. WILLIAMSON: Sure.

19 MR. WHITE: And see if I can reschedule it to some
20 other time. Maybe, either in the morning or the afternoon I
21 could come back, and, you know, but let me look at that,
22 okay?

23 MR. WILLIAMSON: And I would also like to say, if
24 it's a conflict with an NRC --

25 MR. MURPHY: Yeah, we can handle that.

1 MR. WHITE: Great.

2 MR. WILLIAMSON: -- we would like to think it would
3 have some input.

4 MR. REINHART: We can handle the rescheduling it
5 for the NRC.

6 MR. WILLIAMSON: So, what we would like to do -- my
7 preference would be, to -- we'll go until 2:30 today, if you
8 need to leave.

9 MR. WHITE: Uh huh (affirmative).

10 MR. WILLIAMSON: We would like to continue this
11 tomorrow, because it would, obviously, be helpful to your
12 attorneys, and to us. And we would also like to request
13 that, if possible, that we start early tomorrow. We'll leave
14 that, because of the short notice, we would leave that up to
15 you. But with regard to the scheduling of a Court Reporter,
16 who we have scheduled, it will be more convenient to us to do
17 this tomorrow.

18 MR. WHITE: All right, I'll -- yeah, I'll decide --
19 let me look at the thing, and I'll do whatever I can to
20 support what your desires are. The -- and I don't think I
21 have -- I was thinking the 16th, I had a scheduled NRC
22 meeting with Mr. ^{Kepler}~~Kepler~~, a tentative one, but that's been
23 changed to the 28th. We are going to have it the 16th and
24 17th, so I don't think there is that conflict.

25 MR. WILLIAMSON: Okay, but that's Thursday.

1 Tomorrow, the 15th, would be the --

2 MR. WHITE: Yes, I understand.

3 MR. WILLIAMSON: -- would be more desirable.

4 MR. WHITE: You want to take a break now, and let
5 me call, and resolve this, or do you want to take it at the
6 next break.

7 MR. WILLIAMSON: Yes. Well, let's do it now, if we
8 can.

9 MR. WHITE: Okay.

10 MR. WILLIAMSON: I would like to resolve this
11 issue. We'll go off the record at 12:41.

12 (Whereupon there was a pause in the proceedings.)

13 MR. WILLIAMSON: We're back on the record. It's
14 12:46. During the previous break, Mr. White had been trying
15 to check and arrange his schedule in a way that would enable
16 him to come back tomorrow, July the 15th, to continue, and
17 hopefully complete this interview process. As expressed by
18 Mr. Charnoff and Ms. Bauser, they would be available
19 tomorrow. However, they will not be available on Thursday,
20 July the 16th, 1987.

21 In an interim period, while Mr. White will be
22 attempting to determine exactly what his schedule is, we will
23 continue with the interview. Mr. Murphy

24 MR. MURPHY: Mr. White, we were talking about the
25 systematic analysis of identified issues and concerns at TVA

1 that was headed by -- a Team headed by Mr. Nace. And what I
2 was asking you, were you aware of the results of the
3 systematic review, or systematic analysis, and you said -- I
4 think the response was, you had some -- some idea, but you
5 had no specifics, is that correct?

6 MR. WHITE: I was aware that they had completed a
7 listing of various allegations. I was aware that they had
8 categorized them into -- into groups of allegations. My
9 recollection is that I, in some cases, the allegations -- and
10 I want to emphasize, you know, that they were allegations.
11 In other words, this group did not look at the merits of an
12 individual allegation. Someone could claim anything they
13 wanted, and they just listed that. And they didn't, to my
14 knowledge, try to analyze and see if it's true, or not true,
15 or if it was a real problem, or not a real problem, nor even
16 the source, you know, other than knowing where it came from.
17 I don't believe that they divided it by sources, but they may
18 have.

19 And my recollection of this thing was, that in some
20 areas, where there were listings of these allegations in
21 management, that by then, I had been at TVA, you know, for
22 essentially a month, roughly. And that they, in some areas,
23 appeared to confirm my subjective analysis of management
24 issues, and organizational issues. But that I did not
25 recall, and don't recall any, you know, specific briefs, or

1 specific items from it, other than that, and -- yeah, that's
2 it.

3 MR. MURPHY: Although, I think that this -- that we
4 agree that this was -- this information was used in the --
5 the Nuclear Performance Program. Do you know whether it was,
6 or not?

7 MR. WHITE: In the general sense, I just spoke of.
8 It was. In the general --

9 MS. BAUSER: Excuse me, you said in the Nuclear
10 Performance Program?

11 MR. MURPHY: Plan, excuse me.

12 MR. WHITE: In the general sense, and I'm trying to
13 differentiate in my own mind, and it's hard for me to do, to
14 put myself back in that mental framework. But with regard to
15 the March 11, testimony in the Nuclear Performance Plan
16 It's reflected in terms of the management, organizational
17 things. I'm talking about a broad organizational, management
18 thing. It's certainly reflected as confirming, to me, in a
19 subjective way. You see, I had a bunch of allegations. They
20 come in, and I say, well, I have other information which
21 makes me conclude that regardless of how we investigate those
22 organizational issues, when they are investigated, or when
23 the results are, makes me conclude, based on my own
24 experience, I had to change the organization, I had to change
25 people, I had to change the way we were doing business in

1 other areas, but not solely due to the things Nace had
2 catalogued. Is that clear?

3 MR. MURPHY: Sure. Okay. In my -- from your
4 statement, am I led to believe that the -- that you would
5 refer to documents obtained from NRC, INPO, Congress, and
6 various consultants, of allegations, as opposed to some
7 findings of inspections reports, let's say, by the NRC? Or
8 findings of an overall report by INPO --

9 MR. WHITE: Yes. Uh huh (affirmative).

10 MR. MURPHY: Would you call them allegations, or
11 would you call them something else?

12 MR. WHITE: I would say allegations at this point,
13 because, you know, it depends upon the merit. I don't recall
14 ever differentiating between something that the NRC felt,
15 and whether or not we went back and looked to see, is that a
16 real problem. We don't always agree with the NRC.

17 MR. MURPHY: Yeah.

18 MR. WHITE: But, you know, we go back and look, is
19 that a real problem, and has it been solved. In that sense,
20 allegation conveys what I'm trying to say. In other words,
21 we've got an item of -- maybe hundreds of items. Nace did
22 not have the authority, nor the responsibility to say, that's
23 a valid concern. It exists, or it even existed. I wanted --
24 that was a separate issue. I wanted an investigation, and,
25 of course, we've done much of this, on those issues, to

1 determine the validity, and specifically, maybe it's
 2 something that was alleged a year before. And maybe it's
 3 been solved, now. So, the fact that Nade catalogues that,
 4 doesn't mean that it's a problem today. That's what I mean
 5 by alleged.

6 MR. MURPHY: Okay, the reason I asked the question
 7 about whether this was information that might have been
 8 incorporated in the Nuclear Performance Plan, on page two of
 9 this document, under the background it says, "The sorts of
 10 resulting database were utilized as a foundation for
 11 preparation of revised Volume I of the TVA Nuclear
 12 Performance Plan, to be submitted to NRC in February, 1986."

13 MS. BAUSER: This is the wrong document. Can you
 14 show us the document?

15 MR. MURPHY: Surely. (Presenting).

16 MR. WHITE: Now, where are we?

17 MR. MURPHY: Under background, second paragraph.

18 MR. WHITE: I don't know what -- this is from
 19 Kirkebo? I can't climb in his mind to know what he felt he
 20 -- or even what he means by, as a foundation for preparation.
 21 I really don't know what he had in mind. I can merely tell
 22 you how -- I oversaw how I directed that performance plan to
 23 be construct^{ed}~~ed~~. In other words, I don't know what he even
 24 means by foundation for the preparation, unless he means it
 25 in the sense I have just given you.

1 MR. MURPHY: In a preceding paragraph, does he
2 give a little background on that, that might help us out?

3 MR. WHITE: I don't know, let me read it. (Pause.)

4 No, because this really says what I have been trying to
5 convey to you earlier. The review was done to, first,
6 identify it. And that's what this thing did. The second
7 part is a means of assessing the current situation, and in
8 the broadest sense, I guess it did that. The identification
9 of root problems, root causes of problems was not done in
10 this thing. It's an entirely separate -- a separate -- in
11 fact, much of that effort is on-going right now. Has not yet
12 been completed, in terms of root causes and corrective
13 actions. So, I can't claim it as mine, and I don't know what
14 he means by the words.

15 MR. MURPHY: Yeah. I'm not sure what he means by
16 root causes, except if you review that document, the fact
17 that they identify this as a source of determining root
18 causes is mentioned at least three or four times. But you
19 should feel free to go through there. Are you saying that
20 that was not an intention? That it was not going to identify
21 root causes of these problems?

22 MR. WHITE: I'm telling you what the results were
23 of this thing, and how, to the best of my knowledge, they
24 were utilized. And I also said I was not involved with the
25 details of how they did it. The thousands of people that

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1 work for me, I can't determine what they think they are
2 doing, versus what I have directed them to do, and what I
3 review, and what I demand done. It's not uncommon for
4 someone to feel that he's the ant on the log, and he really
5 isn't.

6 MR. MURPHY: Uh huh (affirmative).

7 MR. WHITE: And, so, what they felt they were doing
8 versus how I understood the information was used, I've
9 described to you the best I can.

10 MR. MURPHY: Okay, and I would have to go back and
11 check the record, but did you, on March 11th, 1986, indicate
12 to the Commission, in a Commission meeting, that these eight
13 hundred documents were being used to identify root causes at
14 TVA?

15 MR. WHITE: I would have to go back, also, and
16 review my specific testimony.

17 MR. MURPHY: You don't recall saying that?

18 MR. WHITE: No, I don't recall saying that.

19 MR. MURPHY: Let me have this one more time. You
20 said that, as viewed, these were management problems?

21 MR. WHITE: In my whole perspective, it was
22 management. That's not to the exclusion of everything else.

23 MR. MURPHY: Okay.

24 MR. WHITE: But remember my --

25 MR. MURPHY: What I would like -- according to this

1 document, it says, "These issues and concern which have the
2 highest rating -- their system of rating the particular
3 concerns. They describe the system in here, of each group
4 voting on something, and coming --

5 MR. WHITE: Yes.

6 MR. MURPHY: -- and come up with a point standard,
7 and identified from.

8 MR. WHITE: Uh huh (affirmative).

9 MR. MURPHY: What I would like you to do is go over
10 -- they originally start talking about the top ten. But I
11 think it gets down to where they have sixteen different
12 things. And for the record -- I mean, I could read them, but
13 I would rather have you read them, and tell me whether you
14 think each one of these problems is management, programmatic,
15 or hardware?

16 MS. BAUSER: Are those mutually exclusive concepts?

17 MR. MURPHY: What? Excuse me?

18 MS. BAUSER: Are they mutually exclusive?

19 MR. MURPHY: They may -- they might include -- one
20 of these might include all three areas. But I think some of
21 these areas are clearly --

22 MS. BAUSER: Can you define programmatic?

23 MR. MURPHY: That's program, like Q/A Program, as
24 opposed to problems with welding -- the hardware aspects of
25 welding. So, could you that for me, please? And as you do

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1 that, tell me whether this was ever brought to your attention
2 by Mr. Nace, or any member of his staff.

3 MR. WHITE: What was brought to my attention?

4 MR. MURPHY: The various issues that they identify
5 as problems in TVA; concerns.

6 MR. WHITE: First, as I've said, and I have to
7 repeat, I don't recall the specifics of when and how or if I
8 was briefed on the paper? Edw

9 MR. MURPHY: Oh, I understand. No, I'm talking,
10 now, as opposed to having someone sit down and say, this is
11 the Nace Report --

12 MR. WHITE: Uh huh (affirmative).

13 MR. MURPHY: -- and this is what -- the issues,
14 themselves, that are identified.

15 MS. BAUSER: And when you say ever, are you talking
16 about prior to March 20?

17 MR. MURPHY: Sure. Yes. Would you, Mr. White, go
18 over each one of these issues?

19 MR. WHITE: Yeah, I was just generally reviewing
20 them.

21 MR. MURPHY: Okay.

22 MR. WHITE: I must first tell you that my own
23 background within the Navy for those many years, problems
24 which some reflected as -- even as design problems, or
25 maintenance problems, were really personnel issues. If you

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1 were to review the incident reports submitted by Naval
2 nuclear powered ships over the years, you would find that
3 personnel, almost exclusively, was issued as the reason. And
4 I say that, because I glanced over this, and although issue
5 by issue, as you want, I don't -- in my first review, don't
6 see anything that I would not classify as a management issue.

7 And I -- if I can broaden your question to
8 management/organization, because they fall -- some of them
9 may fall in organization, rather than programmatic or
10 hardware. And I think that's a differentiation you see, so
11 if I can do that.

12 The first one, "Lack of management and direction
13 control," et cetera, is a management issue. "Lack of quality
14 assurance overview and basic Program weaknesses," is a
15 management issue.

16 MR. MURPHY: Excuse me, it's a management -- how
17 about program weaknesses, thought, would that --

18 MR. WHITE: Caused? I have testified many, many
19 times on this particular issue. And what I've said is, and I
20 believe this, is that all of the problems at TVA, that some
21 perceive a technical issues, some perceive as other issues,
22 programmatic or otherwise, although I don't recall using that
23 specific term. But what others may perceive as those things
24 all stem from management issues; and primarily upper
25 management.