

March 23, 1984

For: The Commissioners

From: William J. Dircks
Executive Director for Operations

Subject: DIABLO CANYON ALLEGATIONS REVIEW

Purpose: To advise of Government Accountability Project (GAP) change of position regarding Staff interviews of allegeders.

Background: As mentioned at the Staff's briefing of the Commission on March 19, 1984, Staff had agreed to GAP counsel's request for a face-to-face meeting in San Luis Obispo on the evening of March 19, 1984 to discuss allegations of false statements in recent submittals by PG&E. Staff from Region V traveled to the site in preparation for the 7:00 p.m. scheduled meeting, only to learn at approximately 6:40 p.m. that GAP counsel would not permit the meeting to occur. Counsel for GAP telephonically advised OI staff at the scheduled meeting that, in his words, he had been "stabbed in the back" and "betrayed." GAP counsel reportedly stated he felt staff had failed to fulfill a commitment not to draw any conclusions or make any recommendations concerning resolution of the allegations pending completion of all interviews and receipt of all information from the allegeders. By that conversation and a subsequent telephone conversation of March 20, 1984, with OI staff, GAP counsel laid down three conditions for staff interview of GAP clients-allegers: (1) that an individual's attendance be compelled by full and detailed subpoena covering the individual and any documentary material; (2) that such interviews be transcribed by a court reporter; and, (3) that GAP counsel have the right to cross-examine and challenge all information furnished by the licensee to the NRC in response to such allegations.

Discussion: Staff is surprised at GAP counsel's sudden refusal to make allegeders voluntarily available for interview. At no time has staff committed to withholding its resolution of an allegation or to deferring its recommendation regarding further licensing of the Diablo Canyon facility until, in the judgment of GAP, all information and allegations had been received. As early as December 5, 1983, and as late as March 16, 1984, the Staff made this clear to GAP counsel. GAP counsel was advised that if new information were available, Staff would accept that information and deal with it as it had all previously furnished information.

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In letters to the Commission dated March 13 and 19, 1984, GAP first criticized and then lauded the Staff for its willingness to meet with GAP. These letters, however, convey a misleading impression. Implicit in both letters is the suggestion that the Staff has not been or is no longer willing to meet with GAP and its allegers to discuss their concerns. To the contrary, the Staff has offered and has in fact met with these individuals on numerous occasions and at times convenient to GAP and its allegers to discuss their allegations to assure that all significant safety issues and charges of management misconduct are recognized and properly dealt with. The Staff's position on this has not changed. The Staff's willingness to accommodate GAP's requests for meetings and discussions of necessity has entailed consideration of the Staff's obligation to continue its evaluation of allegations and to bring such matters to a responsible and timely closure.

Unrelated to the above, the Staff, at the March 19 Commission meeting, agreed to issue the final Inspection Report on the NSC Audit of Pullman, dated February 29, 1984, as a Board Notification. Upon review of the records in this proceeding, we have determined that, under cover of a memorandum from the Office of the Secretary, Docketing and Services Branch dated March 8, 1984, a copy of the final Inspection Report and related documents were sent to the parties and to the Appeal Board. Accordingly, a formal Board Notification does not appear to be necessary.

(Signed) William J. Dircks

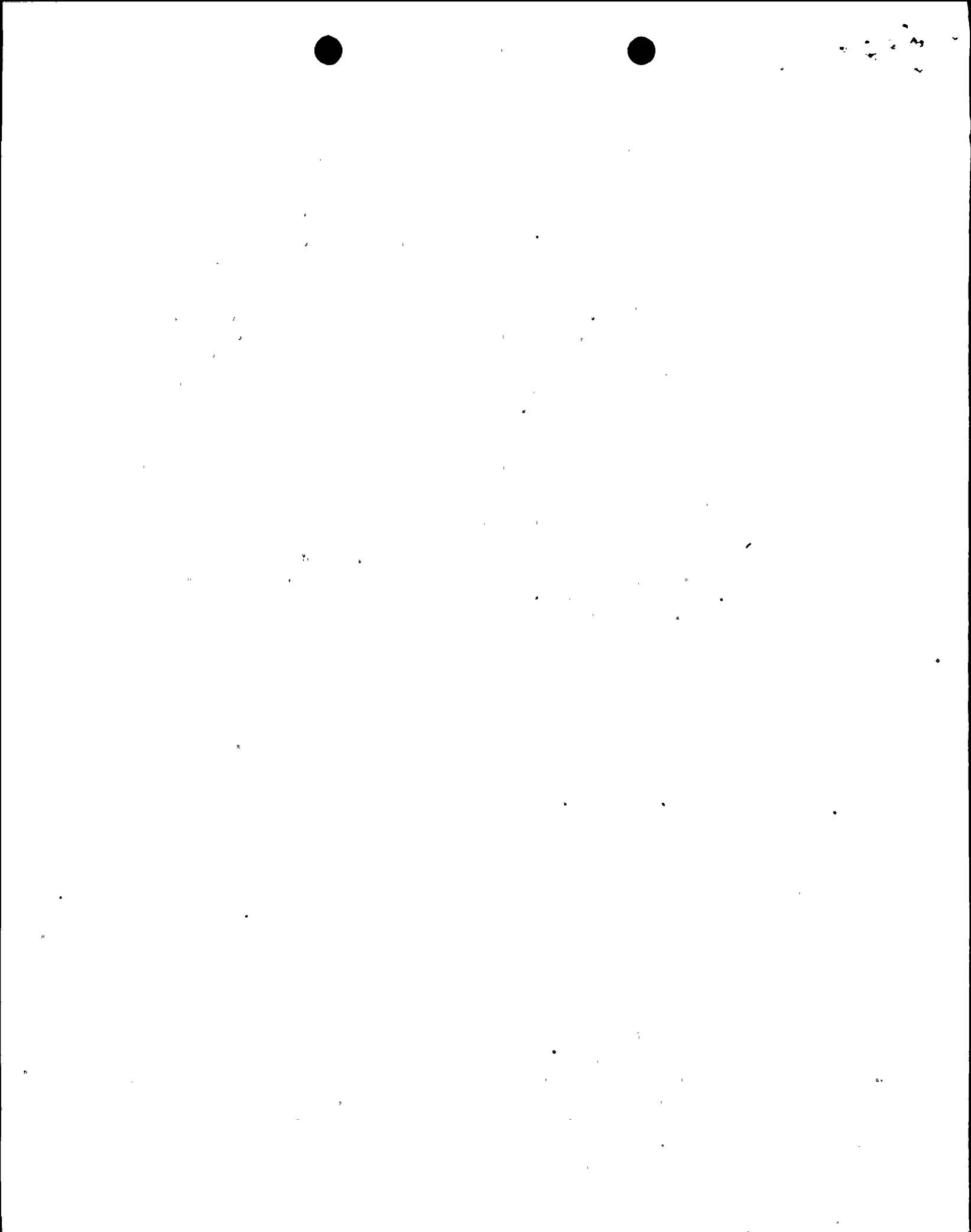
William J. Dircks
Executive Director for Operations

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