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Report of Investigation

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REPORT OF INVESTIGATION

INVESTIGATION OF ALLEGED NRC INSPECTOR MISCONDUCT

BACKGROUND

In a May 21, 1987 memorandum to Sharon R. CONNELLY, Director, Office of Inspector and Auditor (OIA), NRC, William T. RUSSELL, Regional Administrator, Region I, NRC, forwarded two allegations from Philadelphia Electric Company (PECo) concerning possible inspector impropriety. The memorandum stated that during the course of a PECo investigation into reports that PECo reactor operators were sleeping while on duty in the control room of the Peach Bottom Atomic Power Station, information was developed that allegedly 1) during a back shift, a PECo reactor operator had to twice wake a sleeping NRC inspector who was on duty in the Peach Bottom control room and 2) NRC inspectors were in the Peach Bottom control room socializing with operators and distracting them from their assigned duties.

On May 22, 1987, OIA initiated an investigation into the two allegations.

SUMMARY OF INVESTIGATIVE FINDINGS

Gene BRADLEY, Assistant General Counsel, PECo, was interviewed by OIA (Attachment 1) and stated that PECo had an ongoing investigation into reports that PECo reactor operators were sleeping while on duty in the control room of the Peach Bottom plant. During the course of this PECo investigation, Raymond CARTER, a PECo investigator, developed information that Richard MALDONADO, a reactor operator, had to twice wake up a sleeping NRC inspector who was on duty in the Peach Bottom control room during one night shift. BRADLEY further related that during an interview with PECo investigators, Tony L. PEEKS, a radiation technician, stated that during a back shift in March 1987, he observed two NRC inspectors socializing with a group of control room operators in the control room. Apparently, PEEKS was concerned that the NRC inspectors were distracting the reactor operators from performing their duties.

Nathaniel R. CARTER, Special Investigator, Claims Security Division, PECo, was interviewed by OIA (Attachment 2) and related that while he was driving a Shift Technical Advisor (STA) to the Peach Bottom plant after his interview with PECo investigators, the STA told him that Richard MALDONADO, a reactor operator, reportedly had to wake an NRC inspector who was asleep in the Peach Bottom control room on two occasions during one back shift. The STA had no first hand knowledge of the incident and could only relate what he had been told by MALDONADO.

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Richard A. MALDONADO, Reactor Operator, Peach Bottom Atomic Power Station, was interviewed by OIA (Attachment 3) and stated he worked the back shift, 11:00 p.m. - 7:00 a.m., March 29-30, 1987, as the reactor operator for Peach Bottom Unit 3. At about 11:00 p.m., March 29, 1987, two NRC inspectors arrived at the control room reportedly to observe the start-up of Unit 3 after the March 15-22, 1987 shutdown. MALDONADO identified one of the NRC inspectors as Frank CRESCENZO and thought the second inspector was Larry SCHOLL. According to MALDONADO, at about 2:00 a.m., March 30, 1987, as CRESCENZO was sitting in a chair adjacent to the Unit 3 control panel, CRESCENZO's head started to nod and his eyes began to close. Soon, CRESCENZO's chin was resting on his chest and his eyes were closed. MALDONADO noticed this and started talking to CRESCENZO. At that time, CRESCENZO's head jerked up, and then CRESCENZO stood up, stretched, and exited the control room. During this time MALDONADO did not see SCHOLL in the control room. About an hour or two later, CRESCENZO returned to the control room, walked around the Unit 3 control panel and then sat in the chair next the Unit 3 control panel. MALDONADO related that almost immediately upon sitting down, CRESCENZO's eyes began to close and his head started to nod. Again, MALDONADO started talking to CRESCENZO to keep him awake. CRESCENZO again stood, stretched, and left the control room for the remainder of the night. Shortly after CRESCENZO left the control room, SCHOLL returned. SCHOLL remained in the control room for an hour then he left. SCHOLL was not seen by MALDONADO for the rest of the night. MALDONADO noted that Chief Operator, John DENI, was also aware of CRESCENZO's fighting sleep during the back shift. MALDONADO reported his observations to Charles KOEHLER, Shift Supervisor, and William PIPER, Shift Superintendent; however, MALDONADO took no further action. During the interview, MALDONADO commented only on CRESCENZO's physical appearance; he could not state whether CRESCENZO was actually asleep at any point during the shift.

Charles V. KOEHLER, Shift Supervisor, Peach Bottom Atomic Power Station, was interviewed by OIA (Attachment 4) and stated that on March 29-30, 1987, he worked the back shift from 11:00 p.m. to 7:00 a.m. in the Peach Bottom control room. During this shift, KOEHLER was the outside shift supervisor. At about 10:00 p.m., March 29, 1987, two NRC inspectors arrived at the control room reportedly to monitor the start-up of Unit 3. KOEHLER related that at about 3:30-4:00 a.m., March 30, 1987, as he walked past the Unit 3 console, he observed Frank CRESCENZO, one of the NRC inspectors, leaning back in a chair with his chin resting on his chest. The inspector appeared to be "extremely relaxed." About 20 minutes later, as KOEHLER walked past the Unit 3 console again, he observed Richard MALDONADO, the Unit 3 operator, and CRESCENZO engaged in conversation. During this period, KOEHLER did not see the second NRC inspector in the control room. KOEHLER recalled that just prior to the end of the shift, MALDONADO asked him if he had seen the NRC inspector having trouble staying awake. KOEHLER answered yes.

James D. MCGOLDRICK, Manager, Claims Security Division, PECO, was interviewed by OIA (Attachment 5) regarding the information developed by Claims Security Division investigator, Nathaniel CARTER, that an NRC inspector had allegedly fallen asleep in the Peach Bottom control room during the back shift on March 29-30, 1987. MCGOLDRICK provided OIA with a drawing of the Peach Bottom control room and PECO zone trace histories for the Peach Bottom control room for NRC inspectors Larry SCHOLL and Frank CRESCENZO. The zone trace histories are a computer log of the times that SCHOLL and CRESCENZO entered and exited the control room on March 29-30, 1987. The zone trace histories disclosed

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that from 11:25 p.m., March 29, to 6:36 a.m., March 30, 1987, at least one NRC inspector was present in the control room except between 2:21-2:48 a.m., March 30, 1987. During that 27 minute period, neither CRESCENZO nor SCHOLL were in the control room. The zone trace histories also documented that CRESCENZO was out of the control room between 5:27-6:16, a.m., March 30, 1987, and SCHOLL was absent from the control room between 3:35-3:58 a.m. and 4:59-5:22 a.m., March 30, 1987. CRESCENZO and SCHOLL ended their shift in the control room at 6:36 a.m., March 30, 1987.

R. Ronald HOOPES, Shift Supervisor; John S. DENI, Chief Operator; William O. PIPER, Shift Superintendent; and Russell W. KIRKHOFF, Unit 2 Reactor Operator, Peach Bottom Atomic Power Station, were interviewed by OIA (Attachment 6) and stated they were on duty in the Peach Bottom control room between 11:00 p.m., March 29 and 7:00 a.m., March 30, 1987. Concerning their knowledge of an NRC inspector allegedly falling asleep while on duty in the control room, these individuals responded as follows:

HOOPES recalled seeing two NRC inspectors in the area of the Unit 3 control panel both having trouble staying awake. HOOPES could not state whether either inspector was ever asleep; however, he observed several short periods of "inattentiveness."

DENI stated that several times during the back shift, he observed one of the NRC inspectors yawn. This inspector appeared to be tired; however, DENI never saw him dozing. On two occasions DENI observed the second NRC inspector, who was sitting in a chair next to the Unit 3 control panel, jerk his head up from his chest. This inspector seemed to have trouble staying awake, and on both occasions he got up and walked around to revive himself.

PIPER related that he was told by HOOPES and MALDONADO that an NRC inspector was having trouble staying awake; however, PIPER did not personally observe an NRC inspector having trouble.

KIRKHOFF stated that from his position at the Unit 2 control panel, he made no effort to look at the NRC inspectors who were present in the control room. Consequently, KIRKHOFF did not see anyone sleeping or dozing. KIRKHOFF recalled that he later heard talk among the other reactor operators that an NRC inspector had trouble staying awake.

Tony L. PEEKS, Radiation Waste Technician, Peach Bottom Atomic Power Station, was interviewed by OIA (Attachment 7). PEEKS stated that he has been employed as a Radiation Waste Technician at Peach Bottom for about two years and is responsible for janitorial duties throughout the plant. Approximately four to six months ago, PEEKS began working the back shift from 11:30 p.m. to 8:00 a.m. During an eight hour shift, PEEKS opined he spent about four hours in the control room. On several occasions while PEEKS was in the control room, he observed two NRC inspectors talking to reactor operators. PEEKS recalled about four PECo employees gathered around the NRC inspectors and talking and laughing like they were all friends. These gatherings lasted for about ten minutes, and during that time, PEEKS did not see anyone at the reactor control panels. PEEKS could provide no details concerning the topic of the conversations, or the dates of the incidents, nor could he provide the names or descriptions of the NRC inspectors. Additionally, PEEKS could not recall the names of the PECo employees who he saw gathered around the NRC inspectors.

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PEEKS had no other knowledge of possible inappropriate actions by NRC inspectors at the Peach Bottom plant.

Robert M. GALLO, Branch Chief, Projects Branch 2, Region I, NRC, was interviewed by OIA (Attachment 8) and related that on March 24, 1987, Region I received an allegation that reactor operators at the Peach Bottom plant were sleeping while on duty in the control room. In response to the allegation, on March 25, 1987, Region I began an "essentially full time" coverage of the Peach Bottom control room. GALLO stated that on March 24, 1987, he prepared a list of instructions to be followed by the Region I inspectors assigned to monitor the control room. The original typed list contained a total of nine instructions; however, the list was modified between March 25-31, 1987, to add five instructions (Attachment 9). GALLO stated that Region I inspectors were instructed to provide essentially full time coverage of the Peach Bottom control room, however, infrequent, short breaks in the coverage of 15-30 minutes were permitted. The inspectors were also told that one of the reasons for assigning two inspectors to the evening and back shifts was to allow the inspectors to relieve each other if one inspector became tired. If an inspector got tired, he was supposed to leave the control room and go to the NRC Resident Inspector's office to revive himself.

Clay C. WARREN, Senior Resident Inspector, Shoreham Nuclear Power Plant, Region I, NRC, was interviewed by OIA (Attachment 10) and stated he arrived at the Peach Bottom plant on March 30, 1987 to take part in Region I's full time coverage of the Peach Bottom control room. When WARREN arrived at Peach Bottom he was instructed that Region I management intended that at least one NRC inspector be present in the control room at all times, however, short breaks in the coverage of about 15-30 minutes were allowed. WARREN recalled that on the afternoon of March 30, 1987, he was told of rumors among the Peach Bottom operators that during a back shift an NRC inspector had trouble staying awake. Apparently the NRC inspector was getting sleepy and his head was nodding so the inspector left the control room. Sometime subsequent to hearing about the rumors, WARREN had a discussion with Frank CRESCENZO. At that time CRESCENZO commented to WARREN that during one back shift he became "kind of punchy" and had to leave the control room to "walk it off."

Larry L. SCHOLL, Reactor Engineer, Reactor Projects Section 2A, Region I, NRC, was interviewed by OIA (Attachment 11) and stated he was assigned to Peach Bottom to take part in the NRC's monitorship of the Peach Bottom control room. Before he went to Peach Bottom he was briefed by Robert GALLO concerning the instructions he was to follow while on duty in the control room. SCHOLL stated that two NRC inspectors were assigned to the control room for each shift; however, SCHOLL did not understand the instructions to require both of the inspectors to be in the control room at all times. He recalled that the instructions allowed the inspectors to give each other breaks, and 15 minute breaks in coverage were permissible. SCHOLL related that he and Frank CRESCENZO were scheduled to work between 11:00 p.m. and 7:00 a.m., March 29-30, 1987 in the Peach Bottom control room. SCHOLL and CRESCENZO arrived at the control room at about 11:00 p.m., March 29, 1987. While on duty in the control room, SCHOLL and CRESCENZO spent most of their time at the Unit 3 control panel because Unit 3 was the only unit operating. SCHOLL recalled that he spent most of the shift in the control room; however, on one occasion he went to the Unit 2 fuel floor, and he possibly toured the turbine building. Before he left the control room, SCHOLL informed CRESCENZO of his

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plans. During the shift SCHOLL and CRESCENZO gave each other breaks; however, SCHOLL could not recall if he and CRESCENZO had lunch together or separately. SCHOLL stated that to the best of his knowledge, at no time was the control room left unattended by him or CRESCENZO for any extended amount of time. SCHOLL related that during the shift, he saw CRESCENZO sitting in an extra chair located next to the Unit 3 control panel. During this time, CRESCENZO talked to the Unit 3 operator and monitored a surveillance test. SCHOLL did not notice CRESCENZO acting as if he was tired or having trouble staying awake. SCHOLL did not recall CRESCENZO mentioning to him that he was tired, and he did not recall CRESCENZO leaving the control room because he was tired. SCHOLL did not see CRESCENZO dozing or sleeping and no one told him that CRESCENZO was asleep.

Francis J. CRESCENZO, Resident Inspector, Shoreham Nuclear Power Plant, Region I, NRC, was interviewed by OIA (Attachment 12). CRESCENZO related that he was directed by Region I to go to the Peach Bottom plant to take part in an essentially full time NRC coverage of the Peach Bottom control room. CRESCENZO's first tour of duty began on March 27, 1987. When he first arrived at Peach Bottom to take part in the NRC coverage, he was instructed that his duties were to observe everything the Peach Bottom reactor operators did and to monitor the control room operations as outlined in the inspection module pertaining to control room activities. CRESCENZO was instructed that the NRC coverage was to be essentially full time; therefore, one member of the two man inspection team was to be in the control room at all times. However, it was permissible for both NRC inspectors to be out of the control room for short periods of time.

On March 29, 1987, CRESCENZO and his shift partner, Larry SCHOLL, were scheduled to work the 11:00 p.m.-7:00 a.m., March 29-30, 1987, shift. CRESCENZO and SCHOLL arrived at the control room at about 11:00 p.m., March 29, 1987, and positioned themselves in the area of the Unit 3 control panel until about 2:00 a.m., March 30, 1987. During these three hours, CRESCENZO talked to Richard MALDONADO, the Unit 3 reactor operator, and both he and SCHOLL observed the operation of Unit 3. Additionally, CRESCENZO and SCHOLL spent some time at the Unit 2 control panel.

At about 2:00 a.m., March 30, 1987, CRESCENZO and SCHOLL left the control room and went to lunch. They returned at about 2:30 a.m. CRESCENZO recalled that sometime after that SCHOLL left the control room for a short time to go to the Unit 2 fuel floor to observe the movement of fuel. CRESCENZO spent the next several hours after lunch in the control room observing the operators. Between about 2:30-5:00 a.m., CRESCENZO spent most of the time either standing or sitting near the Unit 3 control panel. When he was sitting, CRESCENZO used a large chair next to the Unit 3 panel. While sitting in this chair, CRESCENZO slouched. This was his normal sitting position. Sometime around 5:00 a.m., CRESCENZO began to get tired, and as he slouched in the chair his eyes became droopy. CRESCENZO stated that the control room operators could tell he was tired and, because of his slouched position in the chair and his heavy eyes, he could understand that an observer may have interpreted this as being "on the nod" or "dozing." Additionally, in this context, MALDONADO may have said something to him that MALDONADO thought woke CRESCENZO. However, CRESCENZO emphatically asserted that he was not asleep and at no time did he have to be awakened.

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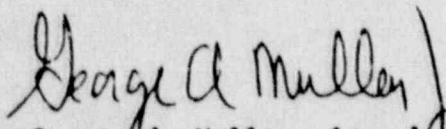
CRESCENZO noted that during his tour of duty at Peach Bottom, he was very sensitive to the significance of NRC inspectors staying awake. Consequently, when he realized he was becoming very tired, he acted appropriately and left the control room for a break before he inadvertently fell asleep. At about 5:30 a.m., he left the control room, after informing SCHOLL that he was going to take a break, and went to the NRC Resident Inspector's office to revive himself. After about 30 minutes, he returned to the control room and remained alert until about 6:30 a.m. when he and SCHOLL ended their shift.

CRESCENZO stated that he complied with all of his instructions during the tour of duty. Except for about 30 minutes at about 2:00 a.m., when he and SCHOLL went to lunch, there was always an NRC inspector present in the control room. Additionally, when CRESCENZO became tired, he followed his instructions and left the control room to revive himself before he inadvertently fell asleep.

CONCLUSIONS

OIA's investigation did not substantiate the allegation that a PECO reactor operator had to twice wake a sleeping NRC inspector who was on duty in the Peach Bottom control room. Information developed during this investigation disclosed that while on duty in the Peach Bottom control room, the NRC inspector became very tired and was in danger of inadvertently falling asleep. The inspector, acting in accordance with his instructions, left the control room and went to the NRC Resident Inspector's office to revive himself. During the time the inspector was out of the control room, a second NRC inspector monitored the operation of the control room.

OIA did not substantiate the allegation that NRC inspectors were distracting reactor operators from their assigned duties. The lack of details by the allegor precluded an in-depth investigation of this matter.



George A. Mulley, Jr., Assistant Director
for Investigations
Office of Inspector and Auditor

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ATTACHMENTS:

1. Interview of Gene BRADLEY, dtd 5/22/87
2. Interview of Nathaniel CARTER, dtd 5/26/87
3. Interview of Richard MALDONADO, dtd 5/26/87
4. Interview of Charles KOEHLER, dtd 5/27/87
5. Interview of James MCGOLDRICK, dtd 5/26/87
6. Interviews of HOOPEs, DENI, PIPER, and KIRKHOFF dtJ 5/28/87
7. Interview of Tony PEEKS, dtd 5/26/87
8. Interview of Robert GALLO, dtd 5/28/87
9. List of Instructions dtd 3/31/87
10. Interview of Clay WARREN, dtd 5/29/87
11. Interview of Larry SCHOLL, dtd 5/28/87
12. Interview of Francis CRESCENZO, dtd 6/2/87

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Report of Interview

Gene BRADLEY, Assistant General Counsel, Philadelphia Electric Company (PECo) was interviewed regarding his knowledge of two allegations of NRC inspector impropriety at the Peach Bottom Atomic Power Station. BRADLEY related essentially the following:

BRADLEY explained that PECo has an ongoing investigation into allegations that reactor operators were sleeping while on duty at the Peach Bottom Atomic Power Station. During the course of their investigation, PECo Claims Security Division investigators learned that an NRC inspector had been observed sleeping in the Peach Bottom control room. BRADLEY related that this information was developed by Raymond CARTER, a PECo investigator, as he was transporting James M. KAVALCHICK, a PECo Shift Technical Advisor, to Peach Bottom after he had been interviewed as part of the PECo investigation. Reportedly, KAVALCHICK asked CARTER why PECo security was not investigating other people who were sleeping in the control room. CARTER asked KAVALCHICK to explain, and KAVALCHICK stated he had been told by Richard MALDONADO, a reactor operator, that on two occasions during one night shift MALDONADO had to wake up a sleeping NRC inspector who was on duty in the plant control room.

BRADLEY further related that during an interview with PECo security, Tony L. PEEKS, a radiation waste technician, stated that during a back shift sometime in March 1987, before the forced shutdown, he observed two NRC inspectors socializing with a group of PECo operators in the area of the middle console in the control room. Apparently the technician was concerned that while the reactor operators were socializing with the two NRC inspectors they were being distracted from performing their assigned duties.

Investigation on May 22, 1987 at Bethesda, MD File # 87-21
by George A. Mulley, Jr. Date dictated June 26, 1987

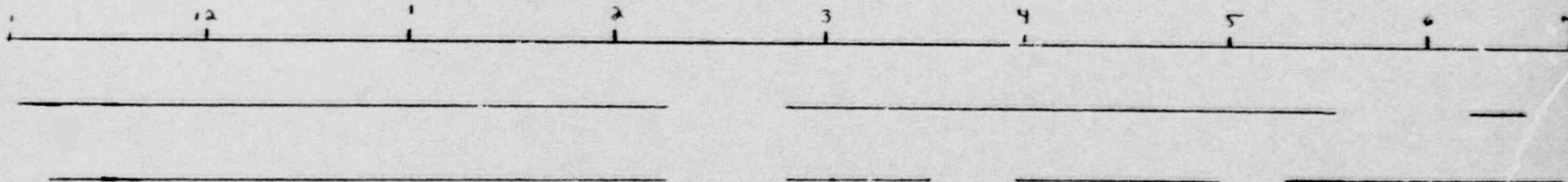
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A - Frank Crescenzo

3/29/87 2235 hrs Protected Area In
2325 hrs Bridge In
2325 hrs Control Room In
3/30/87 0221 hrs Control Room Out
0221 hrs Bridge Out
0247 hrs Bridge In
0248 hrs Control Room In
0527 hrs Control Room Out
0528 hrs Bridge Out
0615 hrs Bridge In
0616 hrs Control Room In
0636 hrs Control Room Out
0637 hrs Bridge Out
0707 hrs Protected Area Out

B - Larry Scholl

3/29/87 2302 hrs Protected Area In
2325 hrs Bridge In
2326 hrs Control Room In
3/30/87 0221 hrs Control Room Out
0221 hrs Bridge Out
0247 hrs Bridge In
0248 hrs Control Room In
0335 hrs Control Room Out
0339 hrs Unit #2 Fuel Floor In
0340 hrs Unit #2 Fuel Floor Out
0352 hrs Bridge Out
0358 hrs Bridge In
0358 hrs Control Room In
0459 hrs Control Room Out
0459 hrs Bridge Out
0521 hrs Bridge In
0522 hrs Control Room In
0636 hrs Control Room Out
0637 hrs Bridge Out
0713 hrs Protected Area Out



Date of transcription June 26, 1987

Report of Interview

Nathaniel R. CARTER, Special Investigator, Claims Security Division, Philadelphia Electric Company (PECo), was interviewed concerning his knowledge of alleged NRC inspector misconduct at the Peach Bottom Atomic Power Station. CARTER related essentially as follows:

On May 20, 1987, as he was driving James KAVALCHICK, a Shift Technical Advisor, to the Peach Bottom station after his interview with Claims Security Division, KAVALCHICK stated to CARTER "you did not ask the right questions. You did not ask if any other people were sleeping in the control room." CARTER asked for an explanation and KAVALCHICK replied that "he had heard that NRC inspectors were sleeping in the control room." KAVALCHICK related to CARTER that he had been told by Richard MALDONADO that on two occasions during one back shift, he had to wake an NRC inspector who was asleep in the control room. KAVALCHICK could provide CARTER with no details concerning the incident other than it reportedly occurred shortly before the forced shutdown of the Peach Bottom station by the NRC. Additionally, in response to CARTER's questions, KAVALCHICK stated he had no first hand knowledge of the incident and had no information of other alleged improprieties by NRC inspectors. The only information that KAVALCHICK could provide was what he had learned from MALDONADO.

Investigation on May 26, 1987 at Aberdeen, MD File # 87-21
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Office of Inspector and Auditor

Date of transcription June 26, 1987

Report of Interview

Richard A. MALDONADO, Reactor Operator, Peach Bottom Atomic Power Station, was interviewed concerning his knowledge of alleged NRC inspector misconduct at the Peach Bottom station. Present during the interview was Smith B. Gephart, Esq., of Killian and Gephart, Harrisburg, PA, who acted as MALDONADO's legal representative. MALDONADO stated essentially as follows:

Between March 29-30, 1987, MALDONADO worked the back shift, from 11 p.m. to 7 a.m., as the reactor operator for the Peach Bottom station Unit 3. MALDONADO arrived at the Peach Bottom control room at about 10:30 p.m., March 29, 1987, and two NRC inspectors arrived at the control room at about 11:00 p.m. Both NRC inspectors attended the shift meeting at about 11:30 p.m. MALDONADO knew the identity of one of the NRC inspectors, Frank CRESCENZO, because CRESCENZO was the NRC examiner who gave MALDONADO the NRC walk through licensing examination about one year ago. MALDONADO thought the name of the second NRC inspector in the control room was Larry SCHOLL; however, he was not certain. MALDONADO related that, to his knowledge, the reason the NRC inspectors were at the station was to observe the start-up of Unit 3 after the shutdown between March 15-22, 1987, as the result of the electric hydraulic control unit malfunction on Unit 3.

MALDONADO recalled that shortly after CRESCENZO and SCHOLL arrived in the control room, Scholl left and Crescenzo remained. MALDONADO and CRESCENZO then talked for about two hours regarding the NRC licensing examination. Although Unit 2 was moving fuel at that time, MALDONADO did not recall CRESCENZO ever going over to the Unit 2 control panel in the control room. During their conversation, CRESCENZO asked MALDONADO several questions concerning the status of Unit 3.

At about 2 a.m., March 30, 1987, CRESCENZO was sitting in a high back chair, adjacent to the Unit 3 control panel. According to MALDONADO, CRESCENZO'S head started to nod and his eyes began to close. Soon his chin was resting on his chest and his eyes were closed. MALDONADO noticed this and started talking to CRESCENZO. At that time, Crescenzo's head jerked up and he stood up; CRESCENZO then stretched and exited the control room. During this time, MALDONADO did not see SCHOLL in the control room. About an hour or two later, CRESCENZO returned to the control room, walked around the Unit 3 control panel, then sat in the same chair next to the Unit 3 control panel. MALDONADO stated that almost immediately upon sitting down, CRESCENZO'S eyes began to close and his head started to nod. MALDONADO started talking to CRESCENZO to keep him awake. CRESCENZO then stood, stretched, and exited the control room.

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for the remainder of the night. Shortly after CRESCENZO left the control room, SCHOLL returned. SCHOLL remained in the control room for about an hour, then he left. SCHOLL was not seen by MALDONADO for the rest of the night. During the interview, MALDONADO commented only on CRESCENZO'S physical appearance; he did not believe he was qualified to comment on CRESCENZO'S mental state, i.e., whether he actually fell asleep at any time or was just tired.

MALDONADO stated that during the back shift on March 29-30, present in the control room were the Unit 2 Reactor Operator; Chief Operator; Shift Supervisor; and the Shift Superintendent. The specific individual that MALDONADO could recall as being present in the control room during the back shift was the Chief Operator, John DENI. MALDONADO related that DENI was aware of CRESCENZO'S fighting sleep during the back shift because DENI passed CRESCENZO when he walked from his desk to the permit writing room, which was to the right of the Unit 3 control panel. As DENI returned to his station from the permit writing room, he stated to MALDONADO, "Do you see that guy?" in reference to CRESCENZO falling asleep in the chair. Additionally, MALDONADO later brought the incident to the attention of the Shift Supervisor and Shift Superintendent. MALDONADO stated that this was the only incident of possible NRC inspector impropriety that he was aware of. Other than bringing the matter to the attention of the Shift Supervisor and Shift Superintendent, MALDONADO did not take any further action as a result of the incident.

Subsequent to the conclusion of the interview, the roster for the back shift for March 29-30, 1987, was reviewed to identify the individuals who were on duty in the control room during the back shift. With the aid of the roster, MALDONADO identified the following persons:

Inside Shift Supervisor: R. R. Hoopes
 Outside Shift Supervisor: C. V. Koehler
 Chief Operator: J. S. Deni
 Unit 2 Reactor Operator: R. W. Kirkhoff
 Shift Superintendent: W. O. Piper

MALDONADO further identified Charles KOEHLER as the Shift Supervisor to whom he mentioned the incident regarding Crescenzo's sleeping.

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Report of Interview

Charles V. KOEHLER, Shift Supervisor, Peach Bottom Atomic Power Station, was interviewed concerning his knowledge of alleged NRC inspector misconduct at the Peach Bottom station. Present during the interview was Smith B. GEPHART, Esq., of Killian and Gephart, Harrisburg, PA, who acted as KOEHLER's legal representative. KOEHLER stated essentially as follows:

On March 29-30, 1987, KOEHLER worked the back shift, from 11 p.m. to 7 a.m., in the Peach Bottom station control room. During this shift, KOEHLER was the outside shift supervisor and he spent most of his time in the Permit Writing Room. At about 10 p.m., March 29, 1987, two NRC inspectors arrived at the control room. Although KOEHLER had been told the NRC inspectors were stationed in the control room to monitor the Unit 3 start-up, the rumor among the reactor operators was the NRC inspectors were in the control room to learn if the reactor operators were sleeping while on duty.

KOEHLER related that at approximately 3:30-4:00 a.m., March 30, 1987, he walked from the Permit Writing Room, past the Unit 3 console, into the Shift Superintendent's Office. As he walked past the Unit 3 console, he observed an NRC inspector leaning back in a chair, with his chin resting on his chest. KOEHLER described the NRC inspector as being "extremely relaxed." About 20 minutes later, as KOEHLER returned to the Permit Writing Room from the Shift Superintendent's Office, he observed Dick Maldonado, the Unit 3 reactor operator, and the NRC inspector engaged in conversation. During this time, KOEHLER did not see the second NRC inspector in the control room.

KOEHLER related that just prior to the end of the shift, MALDONADO asked KOEHLER if he had seen the NRC inspector having trouble staying awake. KOEHLER answered yes. KOEHLER stated that the name of the NRC inspector who had trouble staying awake was Frank CRESCENZO. KOEHLER knew CRESCENZO as one of the NRC examiners who conducted the NRC licensing examination at Peach Bottom about a year ago. KOEHLER did not know the name of the other NRC inspector who worked the back shift with CRESCENZO.

KOEHLER could provide no further information concerning this incident.

Investigation on May 27, 1987 at Aberdeen, MD File # 87-21
by George A. Mulley, Jr. Date dictated June 26, 1987

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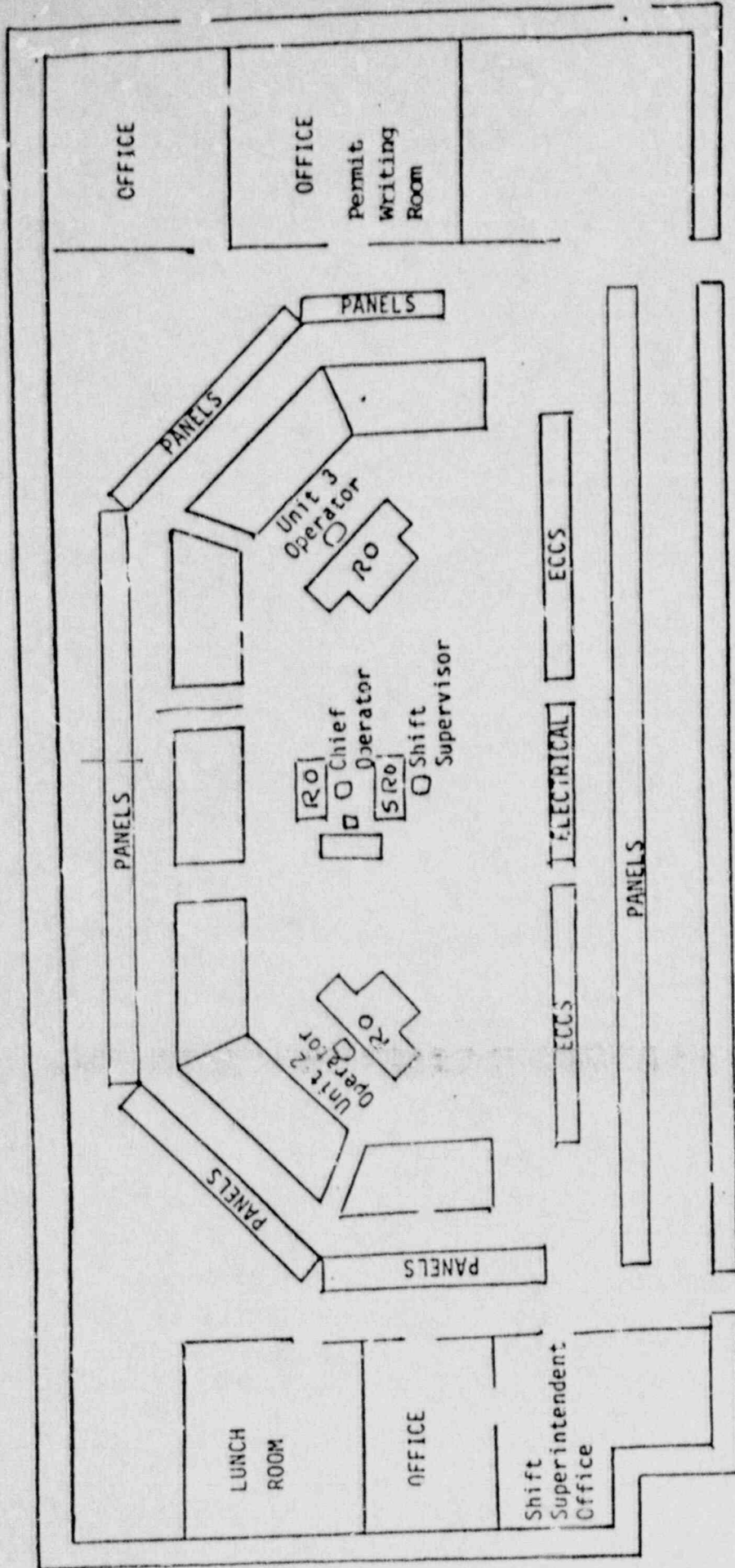
Date of transcription June 26, 1987

Report of Interview

James D. MCGOLDRICK, Manager, Claims Security Division, Philadelphia Electric Company (PECO) was interviewed regarding an alleged incident at the Peach Bottom Atomic Power Station during which an NRC inspector fell asleep while on duty. MCGOLDRICK outlined the information developed by Nathaniel R. CARTER, PECO Claims Security Division investigation and provided a sketch of the Peach Bottom control room (attached). On June 2, 1987, MCGOLDRICK provided PECO zone trace histories for the Peach Bottom control room for NRC inspectors Larry L. SCHOLL and Frank CRESCENZO (attached). The zone trace histories are a computer log of the movements of SCHOLL and CRESCENZO as they entered and exited the control room on March 29-30, 1987.

Investigation on May 26/June 3, 1987 at Aberdeen, MD File # 87-21
by George A. Mulley, Jr. Date dictated June 26, 1987

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PEACH BOTTOM CONTROL ROOM

21:34:40 AK569

ZONE TRACE HISTORY

CARD # 2389 SCHOLL LARRY L.

U	ZONE #	2	02:21	03/30/87	DOOR 1329, NORTH CONTROL ROOM ENTRANCE
U	ZONE #	10	02:21	03/30/87	DOOR 1338, ENTRANCE TO ADMIN. BLDG. BRIDGE
U	ZONE #	10	02:47	03/30/87	DOOR 1338, ENTRANCE TO ADMIN. BLDG. BRIDGE
U	ZONE #	20	02:48	03/30/87	DOOR 1329, NORTH CONTROL ROOM ENTRANCE
U	ZONE #	20	03:35	03/30/87	DOOR 1329, NORTH CONTROL ROOM ENTRANCE
U	ZONE #	764	03:39	03/30/87	DOOR 1400 BY ELEVATOR
U	ZONE #	764	03:49	03/30/87	DOOR 1400 BY ELEVATOR
U	ZONE #	104	03:52	03/30/87	DOOR 1338, ENTRANCE TO ADMIN. BLDG. BRIDGE
U	ZONE #	104	03:58	03/30/87	DOOR 1338, ENTRANCE TO ADMIN. BLDG. BRIDGE
U	ZONE #	204	03:58	03/30/87	DOOR 1329, NORTH CONTROL ROOM ENTRANCE
U	ZONE #	204	04:59	03/30/87	DOOR 1329, NORTH CONTROL ROOM ENTRANCE
U	ZONE #	104	04:59	03/30/87	DOOR 1338, ENTRANCE TO ADMIN. BLDG. BRIDGE
U	ZONE #	104	05:21	03/30/87	DOOR 1338, ENTRANCE TO ADMIN. BLDG. BRIDGE
U	ZONE #	294	05:22	03/30/87	DOOR 1329, NORTH CONTROL ROOM ENTRANCE
U	ZONE #	204	06:36	03/30/87	DOOR 1329, NORTH CONTROL ROOM ENTRANCE
U	ZONE #	104	06:37	03/30/87	DOOR 1338, ENTRANCE TO ADMIN. BLDG. BRIDGE
U	ZONE #	329	07:13	03/30/87	ROTCATE 10-12, ENTRANCE TO PLANT
21:35:19	AK569	INS RS WOR			
P	ZONE #	329	22:59	03/30/87	ROTCATE 10-12, ENTRANCE TO PLANT
U	ZONE #	109	23:31	03/30/87	DOOR 1338, ENTRANCE TO ADMIN. BLDG. BRIDGE
U	ZONE #	209	23:32	03/30/87	DOOR 1329, NORTH CONTROL ROOM ENTRANCE

ZONE TRACK HISTORY

CARD # 3394 CRESCENDO FIELD

ZONE #	TIME	DATE	DOOR #	LOCATION	ENTRY TYPE
U	02:20	03/29/87	DOOR 1379	NORTH CONNS	CE
U	02:20	03/29/87	DOOR #338	ENTRANCE TO	BRIDGE
U	03:06	03/29/87	DOOR #338	ENTRANCE TO	BRIDGE
U	03:07	03/29/87	DOOR #329	NORTH MITR	ENTRANCE
U	03:50	03/29/87	DOOR #329	NORTH JUNIT	ENTRANCE
U	06:51	03/29/87	DOOR #338	ENTRANCE TO	DOG BRIDGE
U	08:09	03/29/87	EDUCATE 10-13	ENTRANCE	
F	22:35	03/29/87	KOLOCOLE 10-14	ENTRANCE	
U	23:25	03/29/87	DOOR #329	ENTRANCE TO	BRIDGE
U	288	03/29/87	DOOR #329	NORTH CONNS	ENTRANCE

85
03
02
D

ZONE TRACE HISTORY

ZONE #	CARD #	3394	CRESCENZO FRANK		
U	ZONE # 2	02:21	03/30/87	DOOR 1329, NORTH CONTR	ENTRANCE
U	ZONE # 10	02:21	03/30/87	DOOR 1338, ENTRANCE TO	ADJ. BLDG. BRIDGE
U	ZONE # 10	02:47	03/30/87	DOOR 1338, ENTRANCE TO	ADJ. BLDG. BRIDGE
U	ZONE # 20	02:48	03/30/87	DOOR 1329, NORTH CONTR	ENTRANCE
U	ZONE # 20	05:27	03/30/87	DOOR 1329, NORTH CONTR	ENTRANCE
U	ZONE # 10	05:28	03/30/87	DOOR 1338, ENTRANCE TO	ADJ. BLDG. BRIDGE
U	ZONE # 10	06:15	03/30/87	DOOR 1338, ENTRANCE TO	ADJ. BLDG. BRIDGE
U	ZONE # 20	06:16	03/30/87	DOOR 1329, NORTH CONTR	ENTRANCE
U	ZONE # 20	06:36	03/30/87	DOOR 1329, NORTH CONTR	ENTRANCE
U	ZONE # 10	06:37	03/30/87	DOOR 1338, ENTRANCE TO	ADJ. BLDG. BRIDGE
U	ZONE # 329	07:07	03/30/87	ROTCANTE #C-12, ENTRANCE	

ZONE TRACE HISTORY

CARD # 2389 SCHOOL LABR L.

12:30:12 62373 468 SMR-EIIC-8-FDS-ND6

ZONE	TIME	DATE	DESCRIPTION
1	209	08/29/87	ROTOCATE 20-12, ENTRANCE
2	209	08/29/87	PROB 1848, ENTRANCE TO HODGINS BLDG. ENTRANCE
3	209	08/29/87	BUOR 1329, NORTH CONTROL ROOM ENTRANCE

Date of transcription June 26, 1987

Report of Interview

R. Ronald HOOPES, Shift Supervisor, John S. DENI, Chief Operator; William O. PIPER, Shift Superintendent; and Russell W. KIRKHOFF, Unit 2 Reactor Operator, Peach Bottom Atomic Power Station, were interviewed concerning their knowledge of an incident during which an NRC inspector allegedly fell asleep while on duty between 11:00 p.m.-7:00a.m., March 29-30, 1987, in the Peach Bottom control room. These individuals stated essentially the following:

All four individuals worked the 11:00 p.m.-7:00 a.m. shift in the Peach Bottom control room on March 29-30, 1987, and they recalled that two NRC inspectors were present in the control room during the shift. When questioned regarding their knowledge of a NRC inspector allegedly falling asleep while on duty in the control room during the 11:00 p.m.-7:00 a.m., March 29-30, 1987 shift, these individuals responded as follows:

R. Ronald HOOPES recalled seeing two NRC inspectors standing and sitting in the area of the Unit 3 control panel. HOOPES observed that both had trouble staying awake and they had to get up from the chair and walk around the control room to revive themselves. HOOPES could not state whether either inspector was ever asleep; however, he opined that he observed periods of "inattentiveness" two or three times during the shift that lasted for a few minutes at a time.

John S. DENI stated that several times during the shift, as he walked from his desk in the middle of the control room to the Permit Writing Room, he observed one of the two NRC inspectors yawn. The NRC inspector appeared to be tired; however, DENI never saw him dozing. On two occasions DENI observed the second inspector, who was sitting in a chair next to the Unit 3 panel, jerk his head up from his chest. This inspector seemed to have trouble staying awake, and on both occasions he got out of his chair and walked around to revive himself. DENI recalled that these two incidents occurred several hours apart. DENI recalled briefly mentioning his observations to Richard MALDONADO, the Unit 3 reactor operator.

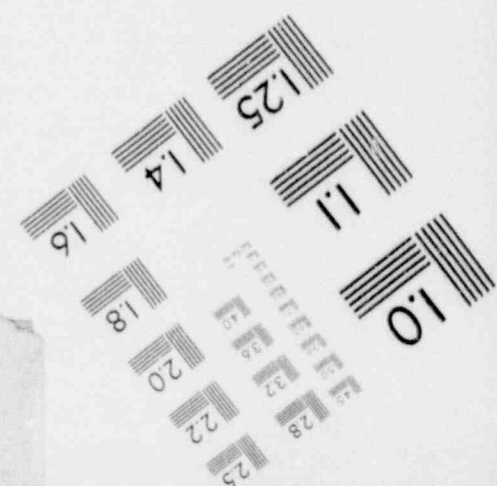
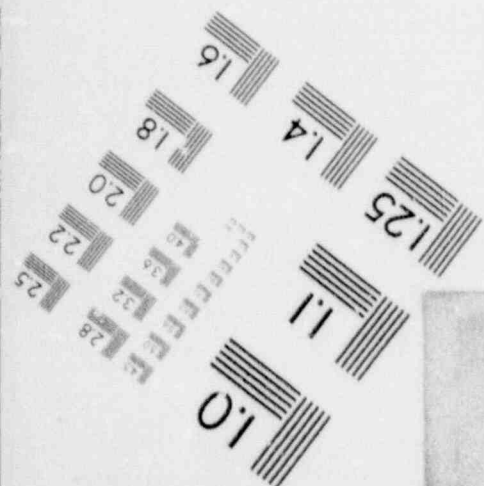
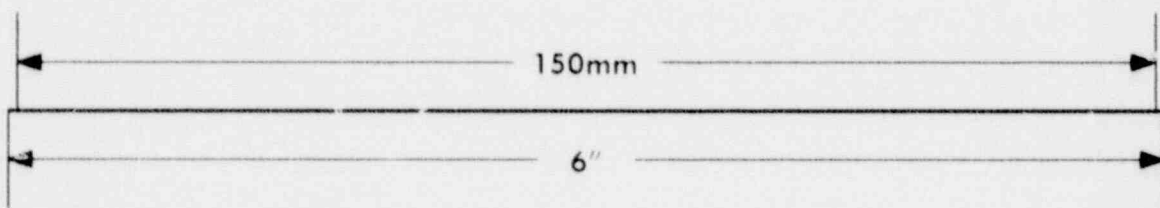
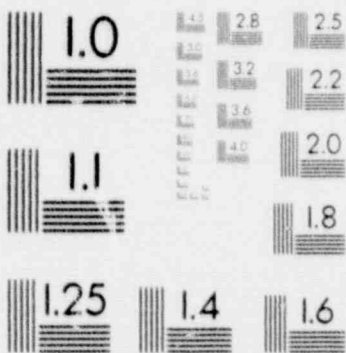
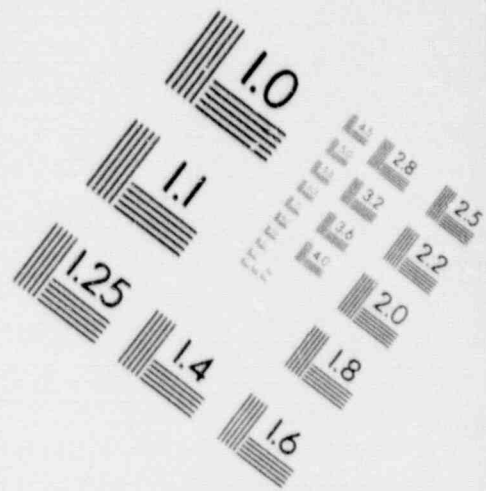
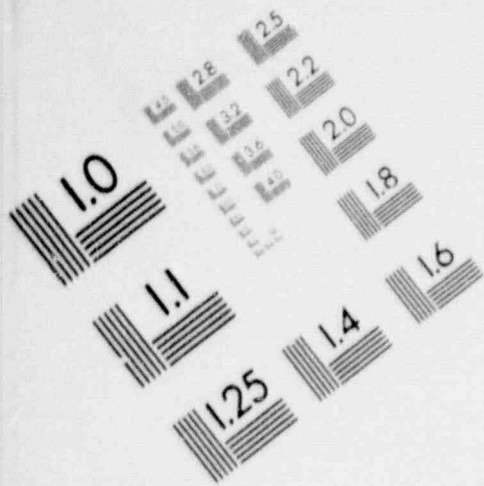
William O. PIPER, stated that he was told by HOOPES and MALDONADO that an NRC inspector was having trouble staying awake; however, PIPER did not personally observe any action by the NRC inspector to indicate he was having trouble. PIPER related that he spent most of the shift in the Shift Superintendent's Office which was located along the side wall of the control room. From that office, PIPER could not observe activity in the central part of the control room. The only times PIPER noticed the NRC inspectors were during the several trips he made from the Shift Superintendent's Office to another office.

Investigation on May 28, 1987 at Peach Bottom File # 87-21
by George A. Mulley, Jr. Date dictated June 26, 1987

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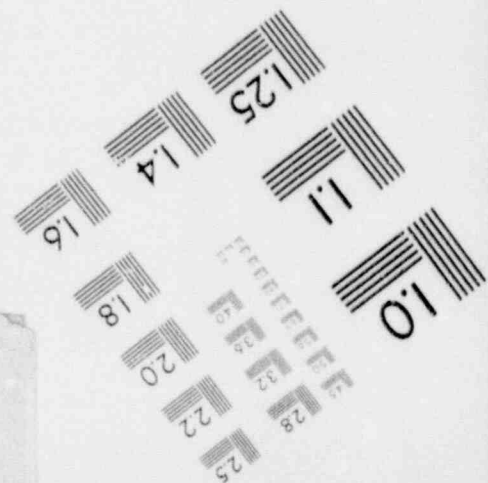
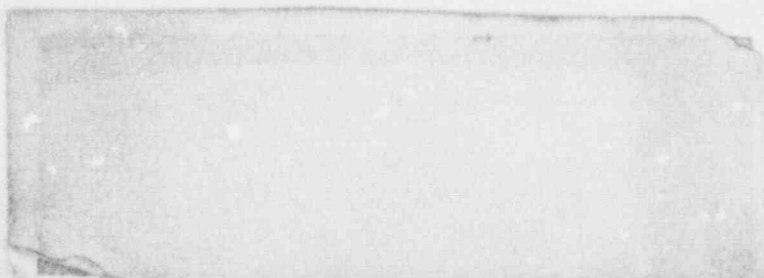
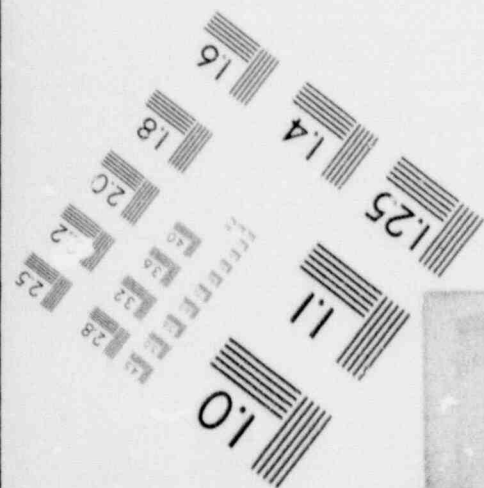
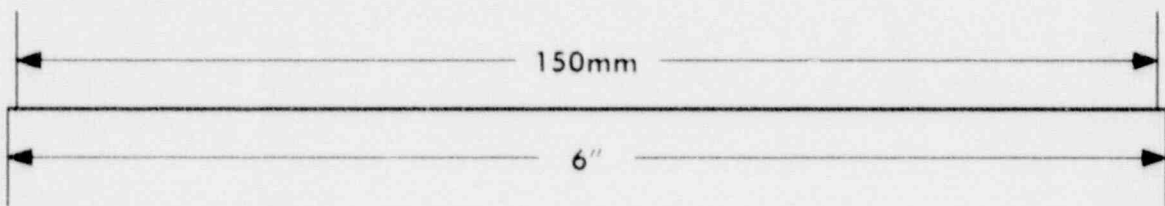
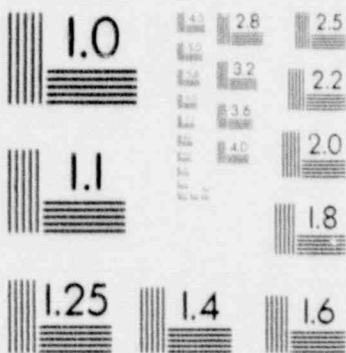
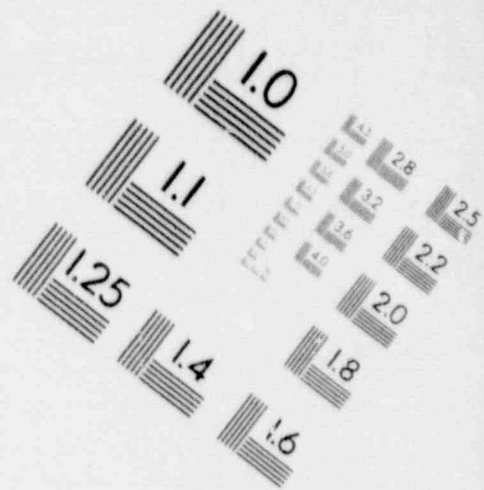
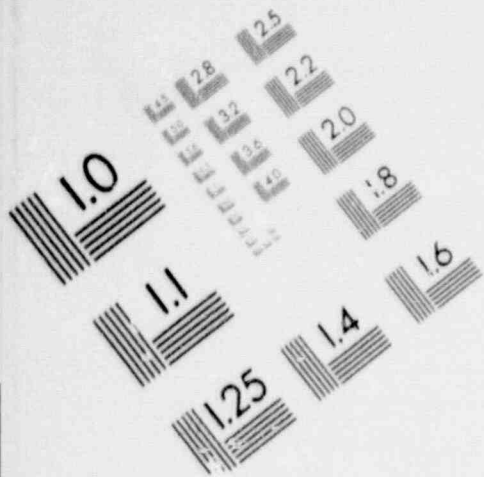
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IMAGE EVALUATION TEST TARGET (MT-3)



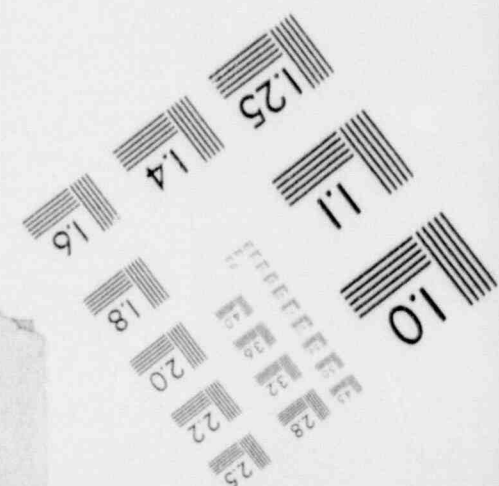
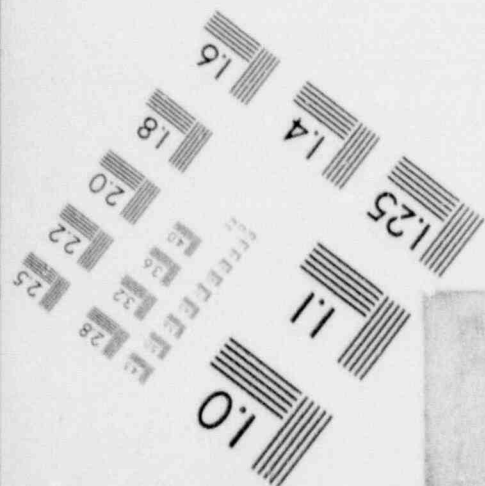
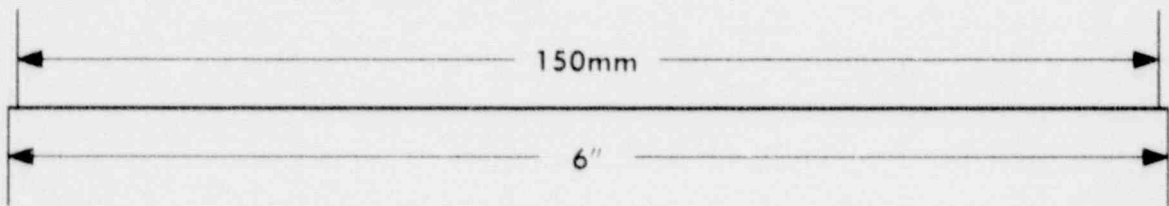
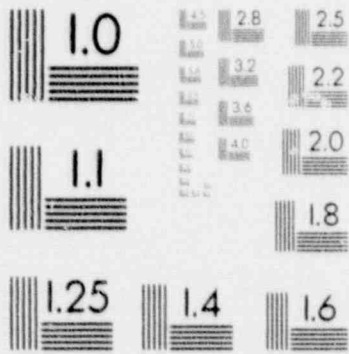
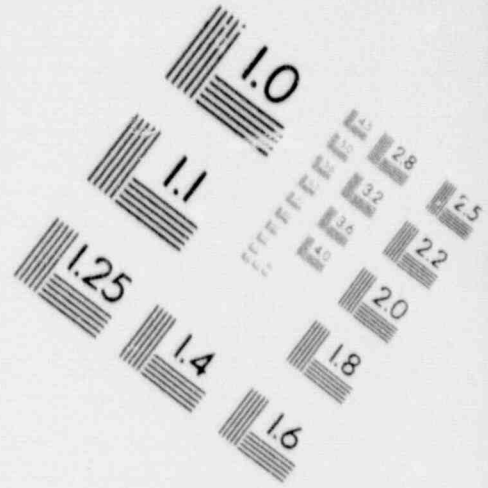
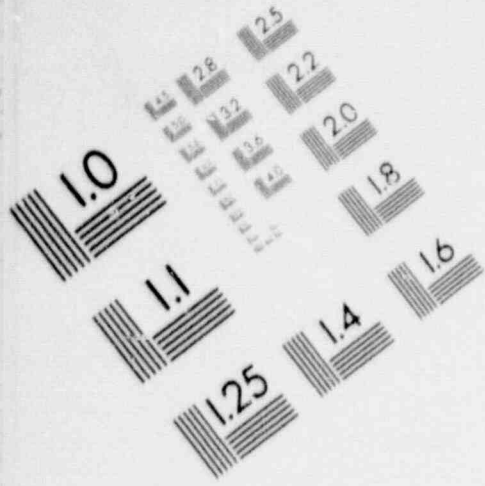
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IMAGE EVALUATION TEST TARGET (MT-3)



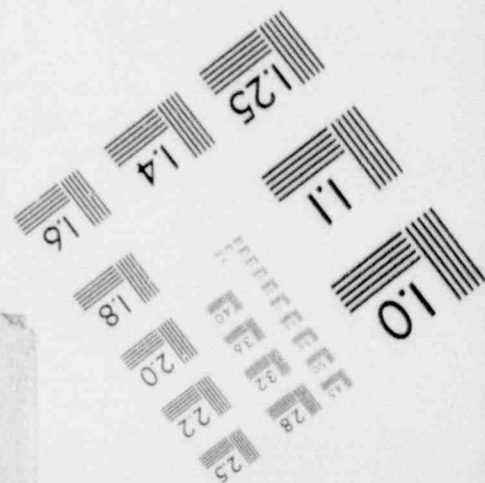
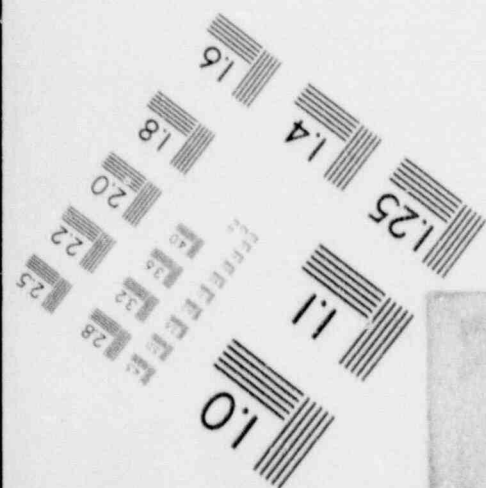
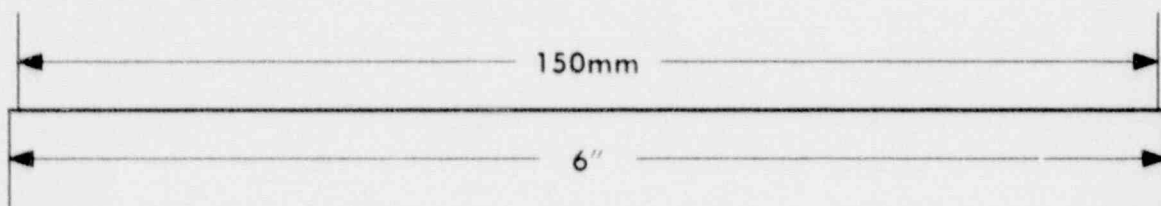
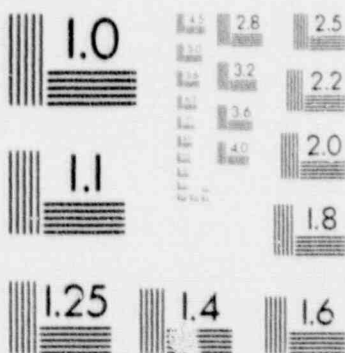
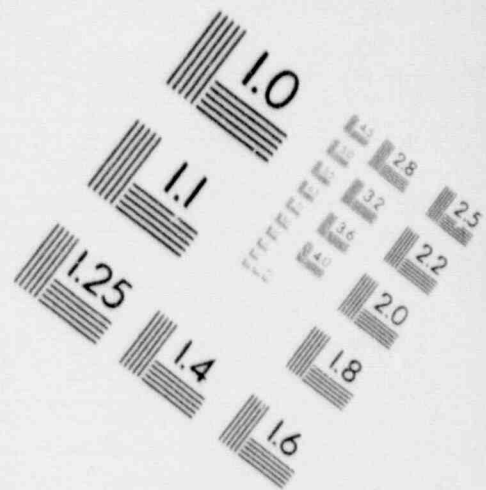
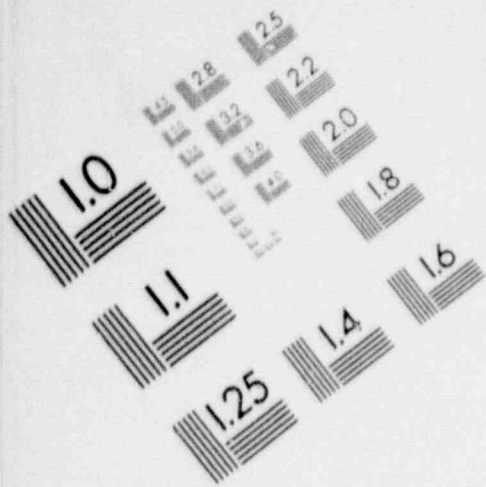
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IMAGE EVALUATION TEST TARGET (MT-3)



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IMAGE EVALUATION TEST TARGET (MT-3)



Russell W. KIRKHOFF stated that from his position at the Unit 2 control panel, he made no effort to look at the NRC inspectors who were present in the control room during the shift. KIRKHOFF did not see anyone sleeping or dozing. KIRKHOFF recalled that he later heard talk among the other reactor operators that an NRC inspector had trouble staying awake and that his head was bobbing.

U.S. NUCLEAR REGULATORY COMMISSION
Office of Inspector and Auditor

Date of transcription June 26, 1987

Report of Interview

Tony L. PEEKS, Radiation Waste Technician, Peach Bottom Atomic Power Station, was interviewed concerning his knowledge of alleged NRC inspector misconduct at the Peach Bottom Station. PEEKS stated essentially as follows:

PEEKS stated that he has been employed as a Radiation Waste Technician by Bechtel Corporation at the Peach Bottom Station for about two years. As a Radiation Waste Technician he is responsible for janitorial duties throughout the station.

Approximately four to six months ago, PEEKS began working the back shift at the station. While working the back shift, he worked from 11:30 p.m. to 8 a.m.

During an eight hour shift, PEEKS opined he spent about four hours in the control room area. On several occasions during the time he was in the control room, he observed two NRC inspectors talking to the reactor operators. PEEKS stated he watched about four Philadelphia Electric Company (PECO) employees gathered around the NRC inspectors and talking and laughing like they were all friends. These gatherings lasted for about ten minutes. During this time, PEEKS did not observe anyone at the reactor control panels. PEEKS did not know what the topic of conversation was; however, he did not think it was business related.

PEEKS could provide no details concerning when these gatherings took place other than to say they occurred a couple of weeks before the NRC forced shutdown of the Peach Bottom station. PEEKS did not know the names, nor could he provide an accurate description of the NRC inspectors whom he observed conversing with the PECO employees, and he stated the only way he knew they were NRC employees was they wore white hard hats with "NRC" lettering. Additionally, PEEKS could not recall the names of the PECO employees who he saw gathered around the NRC inspectors.

PEEKS commented on his observations by stating that he thought it was "weird" that NRC inspectors could be such good friends with the PECO operators then "turn someone in" for sleeping. PEEKS had no other knowledge of possible inappropriate actions by NRC inspectors at the Peach Bottom station.

Investigation on May 26, 1987 at Aberdeen, MD File # 87-21
by George A. Mulley, Jr. Date dictated June 26, 1987

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Date of transcription June 26, 1987

REPORT OF INTERVIEW

Robert M. GALLO, Branch Chief, Projects Branch 2, Region I, NRC, was interviewed regarding his knowledge of an alleged incident at the Peach Bottom Atomic Power Station during which an NRC inspector fell asleep while on duty. GALLO related essentially the following:

During the morning of March 24, 1987, Region I received a telephone call from the NRC Headquarters duty officer who related that an anonymous allegation had been received concerning reactor operators sleeping in the control room of a nuclear power plant. Shortly after the telephone call from Headquarters, Region I received a call from an alleged and, after a lengthy discussion, determined that the plant was Peach Bottom. Later that day, GALLO participated in a meeting, which included Dr. Thomas E. MURLEY, the Region I Administrator at that time, and it was decided that Region I would institute a 24 hour a day site coverage of the Peach Bottom facility. This coverage, which began at 3:00 pm, March 24, 1987, included random, frequent visits to the Peach Bottom control room.

GALLO continued by relating that on the morning of March 25, 1987, a Region I investigator and inspector interviewed the alleged and determined the alleged was credible. In the afternoon of March 25, 1987, Region I began "essentially full time" coverage of the Peach Bottom control room. At that time, Region I thought full time coverage would last only several days, until Friday, March 27, 1987. However, the full time coverage continued until April 2, 1987.

GALLO stated that on March 24, 1987, he prepared a list of instructions to be followed by the Region I inspectors assigned to monitor the activities at Peach Bottom. These instructions were typed on March 25, 1987. The original typed instructions contained a total of nine instructions; however, the original list was modified between March 25-31, 1987, to add five instructions. A copy of the instructions was taped inside the log book maintained in the NRC Resident Inspector's office at Peach Bottom for all inspectors to read before coming on duty. Additionally, GALLO stated that the inspectors had to document their observations in the log book before they went off shift.

On March 25, 1987, before the first shift (3:00 p.m. - 11:00 p.m.) began, GALLO briefed Thomas JOHNSON, Michele EVANS, and Frank CRESCENZO, all Region I inspectors, on their duties while taking part in the full time coverage of the Peach Bottom control room. GALLO stated that among other things the inspectors were told they were supposed to provide essentially full time coverage of the Peach Bottom control room, however, infrequent, short breaks in the coverage of about 15-30 minutes were permitted. The inspectors were also instructed that one of the reasons for assigning two inspectors to the

Investigation of June 2, 1987 at Region I, NRC File # 87-21
by George A. Mulley, Jr. Date dictated June 26, 1987

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evening and back shifts was to allow the inspectors to relieve each other. If an inspector became tired, he was instructed to leave the control room and go to the NPC Resident Inspector's office to revive himself.

GALLO provided a copy of the list of instructions that were to be followed during the coverage of the Peach Bottom control room by Region I.

U.S. NUCLEAR REGULATORY COMMISSION
Office of Inspector and Auditor

Date of transcription June 26, 1987

Report of Interview

Clay C. WARREN, Senior Resident Inspector, Shoreham Nuclear Power Plant, Region I, NRC, was interviewed regarding an alleged incident at the Peach Bottom Atomic Power Station during which an NRC inspector fell asleep while on duty. WARREN related essentially as follows:

WARREN arrived at the Peach Bottom plant on March 30, 1987, to take part in Region I's full time coverage of the Peach Bottom control room. WARREN was scheduled to stand 12 hour shifts on site between 7:00 p.m. to 7:00 a.m. daily. WARREN worked at Peach Bottom for two days before the NRC issued an order on March 31, 1985, to shut down the Peach Bottom plant.

WARREN related that on March 30, 1987, when he arrived at Peach Bottom, Thomas Johnson, the NRC Senior Resident Inspector at Peach Bottom, briefed him on his responsibilities while at Peach Bottom. Johnson told WARREN about the instructions, the log book, daily reports, the allegations received by the NRC regarding the reactor operators. Johnson told WARREN that Region I management intended that at least one NRC inspector be present in the control room at all times for essentially full time coverage. WARREN stated that to his knowledge short breaks in coverage of about 15-30 minutes were allowed.

WARREN recalled that on the afternoon of March 30, 1987, as he was getting briefed by Lawrence J. WINK, Reactor Engineer, Region I, prior to beginning his first shift, WINK told him that there were some rumors among the Peach Bottom operators that during a back shift, at about 3:00 or 4:00 a.m., an NRC inspector had trouble staying awake. Apparently, the inspector was getting sleepy and his head was nodding, so the inspector left the control room. WINK did not provide any names to WARREN. WARREN opined that WINK related this information to WARREN as a caution to remain awake. WARREN recalled that sometime subsequent to his conversation with WINK, he discussed the incident with Frank CRESCENZO. At that time CRESCENZO commented to WARREN that during one back shift that he was working he became "kind of punchy" and had to leave the control room to "walk it off."

Investigation on May 29, 1987 at Region I, NRC File # 87-21
by George A. Milley, Jr. Date dictated June 26, 1987

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Office of Inspector and Auditor

Date of transcription June 26, 1987

Report of Interview

Larry L. SCHOLL, Reactor Engineer, Reactor Projects Section 2A, Region I, NRC, was interviewed regarding his knowledge of an alleged incident at the Peach Bottom Atomic Power Station during which an NRC inspector fell asleep while on duty. SCHOLL was advised of his rights as they pertain to an OIA investigation into alleged administrative misconduct and he was sworn.

SCHOLL stated he was assigned to Peach Bottom Atomic Power Station to take part in Region I's monitorship of the operation of the control room on essentially a full time basis. SCHOLL worked his first eight hour tour of duty at 3:00 p.m., March 27, 1987. The day before he traveled from Region I to Peach Bottom to begin his assignment, he was briefed by Robert GALLO, Branch Chief, Projects Branch 2, Region I, NRC, regarding the instructions he was to comply with while on duty in the control room. SCHOLL stated that two inspectors were assigned to each shift in the control room; however, SCHOLL did not understand the instructions to require that both of the inspectors had to remain in the control room at all times. He recalled that the inspectors were allowed to give each other breaks and 15 minute breaks in the coverage were permissible.

SCHOLL related that on March 29, 1987, he and Frank CRESCENZO, a Region I Resident Inspector, were scheduled to work the 11:00 p.m. to 7:00 a.m. shift together. On March 29, 1987, SCHOLL and CRESCENZO went to the NRC Resident Inspector's office at Peach Bottom where they assumed duties from the outgoing shift. SCHOLL and CRESCENZO arrived at the Peach Bottom control room at about 11:00 p.m., March 29, 1987. Upon their arrival in the control room, SCHOLL and CRESCENZO spent most of their time at the Unit 3 control panel because that unit was the only one operating. Occasionally, either SCHOLL or CRESCENZO walked to the Unit 2 panel to monitor the activities of that operator.

Although the details of the 11:00 p.m., March 29 to 7:00 a.m. March 30, 1987, shift were difficult to remember, SCHOLL related that he spent most of the night in the control room. SCHOLL recalled that on one occasion he went to the Unit 2 fuel floor and he possibly toured the turbine building. Before he left the control room, SCHOLL informed Crescenzo of his plans. During the night, SCHOLL and CRESCENZO gave each other breaks; however, SCHOLL could not recall if he and CRESCENZO had lunch together or separately. SCHOLL stated that to the best of his knowledge, at no time was the control room left unattended by him or CRESCENZO for any extended amount of time.

Investigation on May 28, 1987 at Region I, NRC File # 87-21
by George A. Mulley, Jr. Date dictated June 26, 1987

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SCHOLL related that during the March 29-30, 1987 back shift, he noticed CRESCENZO talking to the Unit 3 operator and watching a surveillance test. The conversation that CRESCENZO had with the operator pertained to plant activities and the NRC licensing examination that CRESCENZO administered to the operator about a year ago. SCHOLL saw CRESCENZO sitting in an extra chair located next to the Unit 3 control panel; however, he did not notice CRESCENZO acting as if he was tired or having trouble staying awake. SCHOLL did not recall CRESCENZO mentioning to him that he was tired and he did not recall CRESCENZO leaving the control room because he was tired. SCHOLL did not see CRESCENZO dozing off or sleeping and no one told him that CRESCENZO was asleep. SCHOLL could provide no details concerning the number or length of the breaks that CRESCENZO took during the shift. SCHOLL recalled no unusual behavior on the part of anyone during the shift.

SCHOLL opined that he and CRESCENZO followed their instructions. They observed and recorded in the NRC log book the actions of the control room operators and they maintained essentially full time NRC coverage of the Peach Bottom control room during the entire shift.

U.S. NUCLEAR REGULATORY COMMISSION
Office of Inspector and Auditor

Date of transcription June 26, 1987

Report of Interview

Francis J. CRESCENZO, Resident Inspector, Shoreham Nuclear Power Plant, Region I, NRC, was interviewed regarding an allegation that he had fallen asleep while on duty in the control room of the Peach Bottom Atomic Power Station. At the onset of the interview, CRESCENZO was advised of his rights as they pertain to an OIA investigation of alleged administrative misconduct and he was sworn.

CRESCENZO related that he was directed to go to the Peach Bottom Atomic Power Station by Region I management to take part in an essentially full time NRC coverage of the Peach Bottom control room. CRESCENZO's first shift of duty was 11:00 p.m. March 27 to 7:00 a.m. March 28, 1987. On March 29, 1987, CRESCENZO arrived at the Peach Bottom control room at about 10:30-11:00 p.m. to begin that tour of duty. When he arrived to start his shift, the plant was in a routine status at about 75% power. CRESCENZO and his shift partner, Larry SCHOLL, an NRC inspector, were scheduled to observe the operation of the Peach Bottom control room from 11 p.m. March 29, to 7 a.m. March 30, 1987. After assuming duties at the NRC Resident Inspector's office, CRESCENZO and SCHOLL went to the control room where they observed the control room shift turnover. CRESCENZO recalled that from about 11 p.m. March 29, 1987 to 2:00 a.m., March 30, 1987, he and SCHOLL were positioned in the vicinity of the Unit 3 control panel. During these three hours, CRESCENZO talked to Richard MALDONADO, the Unit 3 Reactor Operator, about the NRC licensing examination that CRESCENZO administered to MALDONADO about a year ago. Additionally, both CRESCENZO and SCHOLL observed the operation of Unit 3 and SCHOLL observed the diesel surveillance completed by the Unit 3 operator. During this time period, CRESCENZO and SCHOLL also spent some time at the Unit 2 control panel.

At about 2:00 a.m. March 30, 1987, both CRESCENZO and SCHOLL left the control room and went to lunch. They returned to the control room at about 2:30 a.m. CRESCENZO recalled that sometime after that, SCHOLL left the control room for a short time to go to the Unit 2 fuel floor to observe the utility moving fuel. For the next several hours after their return from lunch, CRESCENZO remained in the control room and observed the reactor operators. CRESCENZO thought he may have watched the MSIV surveillance in the Unit 3 portion of the control room, and at times SCHOLL watched the Unit 2 operator.

During the period from about 2:30 a.m. to 5:00 a.m., CRESCENZO spent most of the time either standing or sitting near the Unit 3 control panel. When he was sitting, CRESCENZO used a large flight chair next to the Unit 3 control panel. While he was sitting in this chair, he was slouching. This was his normal position. Sometime around 5:00 a.m., CRESCENZO began to get tired. He

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acknowledged that as he slouched in the chair, his eyes became droopy. CRESCENZO also stated the control room operators could tell he was tired, and Maldonado may have said something to him that Maldonado thought woke CRESCENZO. However, CRESCENZO emphatically asserted that he was not asleep and at no time did he have to be awakened. CRESCENZO repeated that because he was tired and because of his slouched position as he sat in the chair and his heavy eyes, he could understand that an observer may have interpreted this as being "on the nod" or "dozing." However, he was not sleeping.

CRESCENZO noted that during his tour of duty at Peach Bottom, he was very sensitive to the significance of NRC inspectors staying awake. This was especially true because the reason the NRC inspectors were at Peach Bottom during this period was to monitor the control room operators to ensure they were acting appropriately. Consequently, when CRESCENZO realized he was becoming very tired, he acted appropriately and left the control room for a break before he inadvertently fell asleep.

CRESCENZO continued by stating that at about 5:30 a.m., March 30, 1987, he left the control room and went to the NRC Resident Inspector's office for a break. At the office, he had some coffee, walked around, and revived himself. After about 30 minutes, CRESCENZO returned to the control room and remained alert until about 6:30 a.m. when he and SCHOLL ended their shift and returned to the Resident Inspector's office.

CRESCENZO explained that when he arrived at Peach Bottom to take part in the NRC full time coverage of the control room, he was instructed that his duties were to observe everything the reactor operators did and to log the procedures completed by the operators. Additionally, he was to note any improper behavior of the operators and to monitor the control room operations as outlined in the inspection module pertaining to control room activities. CRESCENZO was also instructed that the coverage was to be essentially full time; therefore, one member of the two man inspection team was to be in the control room at all times. The instruction for full time coverage was lenient in that for short periods of time (approximately 15 minutes) it was permissible for both NRC inspectors to leave the control room at the same time.

CRESCENZO stated that he complied with all of his instructions during his March 29-30, 1987 tour of duty. Except for about 30 minutes at about 2:00 a.m., either he or SCHOLL were present in the control room at all times. CRESCENZO recalled that during the one or two times that SCHOLL left the control room, he told CRESCENZO to remain in the room. When CRESCENZO became tired at about 5:30 a.m., he informed SCHOLL that he was going to the Resident Inspector's office to take a break. When he returned to the control room, SCHOLL was still there. Both CRESCENZO and SCHOLL observed the activities of

the control room operators and documented their observations in the log maintained in the Resident Inspector's office. Finally, CRESCENZO stated that when he realized he was becoming tired and there was a possibility that he could inadvertently fall asleep, he followed his instructions and left the control room in the care of his partner and went to the NPC Resident Inspector's office to revive himself.

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