NUCLEAR REGULATORY COMMISSION



ATOMIC SAFETY AND LICENSING BOARD

In the Matter of:

HOUSTON LIGHTING AND POWER

COMPANY, ET AL.

South Texas Nuclear Project : Units 1 and 2

DOCKET NOS. 50-498 OL

50-499 OL

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ALDERSON / REPORTING

400 Virginia Ave., S.W. Washington, D. C. 20024

Telephone: (202) 554-2345

UNITED STATES OF AMERICA

300 7TH STREET, S.W., REPORTERS BUILDING, WASHINGTON, D.C. 20024 (202) 554-2345							
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	15	matter came on for further hearing at 9:00 a.m.					
	16	APPEARANCES:					
	17	Board Me	mbers:				
	18	CHARLES BECHHOEFER, ESQ., Chairman					
	19	Administrative Judge Atomic Safety & Licensing Board					
	20	U. S. Nuclear Regulatory Commission Washington, D. C. 20555					
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		ERNEST E. HILL, Nuclear Engineer					
	22	At	Administrative Judge Atomic Safety & Licensing Board				
	23	University of California Lawrence Livermore Laboratory, L-46					
	24	Li	vermore, Califor	nia 945	50		
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DR. JAMES C. LAMB, III, Environmental Engineer Administrative Judge Atomic Safety & Lic nsing Board 313 Woodhaven Road Chapel Hill, North Carolina 27514

For the NRC Staff:

RICHARD HERR, ESQ. EDWIN REIS, ESQ. JAY M. GUTIEPREZ, ESQ. MR. SHANNON PHILLIPS MR. DONALD SELLS Office of the Executive Legal Director U. S. Nuclear Regulatory Commission Washington, D. C. 20555

For the Applicant, Houston Lighting & Power Company:

> JACK R. NEWMAN, ESQ. MAURICE AXELRAD, ESQ. ALVIN H. GUTTERMAN, ESQ. Lowenstein, Newman, Reis & Axelrad 1025 Connecticut Avenue, N. W. Washington, D. C. 20036

FINIS COWN, ESQ. THOMAS B. HUDSON, JR., ESQ. Baker & Botts 300 One Shell Plaza Houston, Texas 77002

For the Intervenor, Citizens for Equitable Utilities, Inc.:

> WILLIAM S. JORDAN, III, ESQ. Harman & Weiss Suite 506 1725 "I" Street, N. W. Washington, J. C. 20006

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APPEARANCES: (Continued)

For the Intervenor, Citizens Concerned About Nuclear Power:

MR. LANNY SINKIN 838 East Magnolia Avenue San Antonio, Texas 78212

MS. PEGGY BUCHORN Brazoria, Texas

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	3	G. Thomas Warnick (By Mr. Sinkin)		8163			
	4	(By Mr. Reis)		8210			2261
345	5	(By Judge Lamb) (By Judge Bechhoefe	er)				8264 8282
554-2	6	(By Mr. Hudson) (By Mr. Jordan)			8294	8304	
4 (202)	7	(By Mr. Sinkin) (By Mr. Reis)			0245	8317 8339	
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PROCEEDINGS

JUDGE BECHHOEFER: Good morning, ladies and

As you will notice today, the Board has its full complement of members.

Are there any preliminary matters before we resume the cross-examination of Mr. Warnick?

MR. AXELRAD: Mr. Chairman, were we supposed to hear this morning with respect to Mr. Shaw and the subpoena? JUDGE BECHHOEFER: Right. Mr. Jordan?

MR. JORDAN: It's too early. It's a quarter after 7:00 in Washington, and we just slightly too late last night at the dinner break, or whenever it was that Peggy called, we were slightly too late in reaching the office that we are in contact with.

JUDGE BECHHOEFER: So presumably by the morning break you should be able to find out something?

MR. JORDAN: Yes.

JUDGE BECHHOEFER: Okay. Anything further?

(No response.)

JUDGE BECHHOEFER: Mr. Sinkin, you may resume.

Whereupon,

G. THOMAS WARNICK,

having been previously duly sworn, resumed the stand and testified further on his oath as follows:

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CROSS-EXAMINATION (Continued)

BY MR. SINKIN:

- Good morning, Mr. Warnick.
- Good morning.
- Turning to the time when the inspectors, the OC inspectors were often on the phone to design engineering, a problem that was of some concern to you, did you discuss with the QC inspectors why they felt it necessary to continually call design engineering?
 - No, I did not discuss it with the QC inspectors.
- Were there any particular inspectors that tended to call more than others?
- A particular discipline, not a particular inspector. At that point in time there was a limited number of people, or inspectors within the rank and file, so to single out any one individual, no, I couldn't.
- After the memo that was issued, telling them to go through the lead inspector instead of calling design engineering, what action would be taken against any QC inspector that went around lead inspection and called design engineering directly?
- The sequence was if he decided to go outside the limitations of the memo, he would be brought in before his supervisor and discuss why he did it; if he understood the memo, what it meant and how he was supposed to apply that to

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his day-to-day activities.

The first occasion would be a discussion with him.

If he repeated viclations of it, that would constitute insubordination, and justification for disciplinary action or termination.

Q. We've heard testimony previously about sometimes the problem being constructability, that the designer would design something, and when it got to the field construction really couldn't do that, and the designer just hadn't realized it.

Were quality control inspectors permitted to assess the constructability of a given design?

- A. Quality control inspectors?
- O. Yes.
- A. No.
- Q. So that if construction said. "We can't build it this way," the proper response of a QC inspector would be --
 - A. "Don't build it."
 - 0. "Don't build it"?
 - A. "Until you get it resolved."
 - Q. And you'd write a FREA, perhaps?
- A. If they proceeded with trying to install it, and it didn't meet the design requirements, then a nonconformance report would be generated.
 - Q. Let me understand; if the QC inspector says, "Don't

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build it," and construction says, "Okay, we won't build it," then you don't actually have a nonconformance, do you?

- Not at that point in time, no.
- So you would take some other avenue to resolve the problem?
 - Yes. We'd go to engineering for a resolution to it.
- And the method of getting that problem to engineering would be --
- Telephone communication with the lead inspector A. or the discipline quality engineer in conjunction with the construction engineer. They'd probably go together to try to get it resolved.

Any one of them, you know, could proceed with trying to get the answer, and then coordinate with the other individual.

There's many lines of communication in that respect. You could formally issue an engineering request, change request, through construction engineering. So we had a number of avenues of communication to get those types of situations resolved.

- But the ultimate resolution would be at the design engineer level?
 - That's correct. A.
 - However it got there? 0.
 - (Witness nods head.) A.

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Q. You say, on Page 21, at Line 14, that the procedures for handling nonconformances have been changed in some detail a few times over the life of the project.

How many times were those procedures changed in a way that you would consider actually substantively changing how to deal with a noncompliance?

A. The name of the document was changed, as I recall, on four occasions. The general content was modified over a period of time. The number of times that that was modified, I can't give you the exact figure.

But the technical content, as far as what constitutes a nonconformance and what constitutes a required proposed disposition and relew and approval of that activity has been consistent on the project. It's just the structure of the form, adding additional information, the title of it; technical content, as far as controlling a nonconforming condition to proper resolution has been pretty consistent, you know, as far as what has to be done.

- Q And the nonconformances that were valid, under your use of that word in this particular testimony, would be recorded in a nonconformance log, is that correct?
 - A. That is correct.
- And if an inspector wrote a nonconformance report and the next person up the line thought that it was not a valid nonconformance, then that nonconformance report would not

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be recorded in the NCR log, is that correct?

- A. That's a time frame question.
- Q. Okay. If you want to give me the time frame, that's fine.

A. The specific date of the transition of the program

I can't give you.

I came on board in '78, April of '78. At that point in time, nonconformances were documented through the nonconformance control group. The document would be ini 'ated in some form, processed through an approval cycle, and the entered into the system.

If, during the course of activities, the supervisor determined that the condition as identified was not a non-conforming condition, then the document would be reviewed and not placed in the system.

As a result of some questions being raised, the program was modified to a pre-numbered nonconformance form to be used to document any condition by the initiator.

Once that pre-numbered form was used in the system, it became a formal document of control; whether or not it was validated by a supervisor's signature or whether it was agreed upon as being an invalid document as far as condition, it still had to be maintained as a record to show that the item had been documented, had been considered, was ultimately considered invalid, and that document would be retired as a pre-serialized

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record.

Now, the exact transition of that program, I can't give you the specific dates on that. That occurred -- I keep thinking late '78.

- Q Did it occur before you became site QA manager?
- A. Yes, this was before I became the site QA manager, the program changed.
- Q Who composed the nonconformance control group? Who were the people?
 - A. The nonconformance control group?
 - Q. You mentioned a nonconformance control group.
- A. Okay. There's a documentation group, and all they do is provide the log that gives the numbers out to the people who initiate them and document them.

There's been transitions in that area, so I'd have to start back in '78 and come forward with names, if that's what you want.

- Q. The names at this point are not -- I'm beginning to understand the function. The function was essentially the assigning of the numbers.
- A. That's correct. They just maintained; and they kept copies of the documents, you know, for tracking purposes, and stuff like this. That's an administrative function, nothing technical associated with the nonconformance.
 - Q. But that group was not charged with, in any way,

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assessing the validity of the nonconformance?

- A. No. It was strictly a tracking function.
- Q And when you use the term "the nonconformance was entered into the system," you mean entered into the log formally?
 - A. That's correct.
- Q Did you ever have occasions when inspectors would want to write up a nonconformance report and you personally would say that it wasn't necessary?
- A. In the course of the project, I can recall one incident in which I interceded in a document of a non-conformance. That was while I was quality engineering supervisor.
 - Q. Could you tell me a little about that?
- A. The incident arose, we had a meeting with the construction management and discussed some concerns we had in terms of activities in the field, conditions existing and resolution to conditions, punch-list items that -- I say punch-list, not in the sense that everybody understands punch-lists as they exist today, but we had a tracking mechanism of things that needed to be resolved during certain activities -- of taking the absolute position that at the time we said that this condition exists let's get it corrected, of formally documenting it on an NCR at that point in time.

We would say, "We need to collectively get it

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resolved, and watched to make sure it got resolved.

Immediately after that meeting, in which the project QA manager, the site QC manager, or supervisor, and myself were at the meeting to discuss the conditions, we received an NCR through quality engineering for my signature.

At that time I represented the project QA manager on signature authority for nonconformance documentation. I reviewed the context of the NCR, and it addressed specifically what we had talked about at the meeting, so I talked with the QC supervisor and asked for his opinion of whether or not, you know, we had just had a meeting to discuss how we were going to approach a specific activity and here we are, immediately after we break up, we're going to turn around and do exactly what we said we weren't going to.

Here was an item that was identified, was indeed immediately corrected, but we turned around and wrote them up anyway, you know. That seems inconsistent with what we just discussed.

We mutually agreed it was -- at that point in time, after the meeting, it was not appropriate that we should go ahead and document something that had already been identified and corrected, and on that basis it was my intervening that the NCR was not issued.

Q And that's the only occasion you recall when an inspector wanted to write a nonconformance and you personally 1-10

were involved in blocking that nonconformance from being written?

- A. It's the only one I can specifically recall right now.
 - Q. Let me see if I can refresh your memory.
 - A. Okay.
- Q Do you remember an event where QC inspectors said that in the containment shell wall, the area around the equipment hatch, that there were a lot of radial bars that were not in conformance with design and they wanted to write that up, and the problem came to you and you decided it should not be written up?
 - A. No, I don't.
 - Q. When was it that you left Houston Lighting & Power?
- A. I left Brown & Root at the South Texas Project on February the 20th of this year.

JUDGE BECHHOEFER: I didn't hear your answer.

WITNESS WARNICK: I left Brown & Root, the South
Texas Project on February the 20th of this year.

BY MR. SINKIN:

- Q. What was your reason for deciding to change jobs?
- A. I had a number of factors to consider. Most of my decision was personal. My wife and myself both have family on the East Coast, getting up in years. I was looking at getting back close to them. I had people make contact with me

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from Public Service of Indiana and ut employment up there in their management section, and I looked at it as an opportunity for me not only to move back towards the East but to go with the utility side of construction. I've been on the construction side of nuclear power for some time. I wanted to try the utility side for a change.

Q. I wanted to ask your assessment of some of the people who were at the project while you were there, and do correct me if I'm wrong, if they've left before you arrived, or anything like that.

- A. All right.
- Q. Just cell me if you're familiar with them in your assessment of their work.

Mr. Carl King.

A. Carl was on the project a short period of time after I came on board and then left and then ultimately came back to the Brown & Root project.

Carl was -- as an inspector, I found Carl to be a very competent individual. Very personable individual. As an auditor, a very competent individual.

- Q. Any particular problems?
- A. I had none with Carl.
- Q. Paul Pellingaras.
- A. Paul? Paul is a very knowledgeable individual in the civil disciplire. Well qualified for certification.

My only appraisal was, Paul was young. He will sit down and discuss or discuss conditions that he very definitely had his own ideas of it. It was a little hard to get him to see your side of the evaluation and I attribute that to being, you know, a young man in the business. So, above and beyond that, I only had a few occasions where Paul and I ever had any difference, but as far as professional or knowing his discipline, he did.

Q. Thank you.

MR. AXELRAD: Mr. Chairman, I don't have a specific

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objection at this time because there's obviously no specific question being addressed to Mr. Warnick, but I wonder if the Board might ask Mr. Sinkin why this particular line of inquiry is being oursued.

I'm not sure that it's appropriate to ask Mr. Warnick for personal evaluations of individuals who, as far as I know of, have not been mentioned in this proceeding, so far. I'm not aware of whether they are going to be mentioned, whether they have any relevance to be issues before this Board and it just seems to me that it is a potential invasion of privacy, if nothing else, to just go through a laundry list of individuals.

JUDGE BECHHOEFER: Mr. Sinkin, are you going to be able to connect up the particular individuals to --

MR. SINKIN: It will be connected up, not necessarily through this witness at this time but there are three individuals -- there is a document that will be introduced. The document is an assessment of their performance and I'm trying to see Mr. Warnick's perception of their performance and how it compares to this document.

The third individual, as a matter of fact, has been mentioned quite frequently in these proceedings and he would be the last one I would be asking about.

> MR. AXELRAD: I'm still not sure I understand. Even though there may be somewhere, some document

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assessing some individuals, I'm still not sure I understand what the relevance would be of that particular document and why asking Mr. Warnick about that will relate to any of the matters being considered by this Board.

So, I'm not sure that even with the statement

Mr. Sinkin has made, he has shown the type of relevance which

I think the Board would want before this type of inquiry would
continue.

MR. SINKIN: The document in question is Mr. Singleton's assessment of these individuals and this is a QA manager and I wanted to see his assessment of these individuals and when Mr. Singleton comes, we will introduce the document that is Mr. Singleton's assessment of these individuals, and I want to compare the two.

MR. AXELRAD: But to what purpose, Mr. Chairman?

I mean, even if Mr. Singleton and Mr. Warnick might differ in their assessments of individuals, what is the relevance to the issues before this Board?

JUDGE BECHHOEFER: Did any of these three people -were any of them supervised by Mr. Singleton or Mr. Warnick?

MR. SINKIN: That is my understanding, that Mr. Warnick would have been in a supervisory position above them and that Mr. Singleton, at least part of the time, I think, was supervisor on all three of them.

It may not be true as a supervisor on the first one.

assessment of Mr. Warnick and that might show any number of things.

It might show that Mr. Warnick knew what was going on and how qualified people were and were not and Mr. Singleton did not. Or, it might show Mr. Singleton knew what was going on and how people were behaving and Mr. Warnick did not.

It could show any number of different things that could be relevant to the overall assessment of whether QA-QC was operating properly.

JUDGE BECHHOEFER: Mr. Reis, do you have any comments?

MR. REIS: What Mr. Sinkin has said, I don't see the exact relevance of it except with respect to Mr. Forte. We have memorandums in there and there's a direct conflict on one of the matters that depends upon Mr. Forte's abilities.

As to the others, I don't think he has connected it up and shown relevance.

As to Mr. Forte, which is the one he hasn't asked about yet, I could see relevance.

MR. AXELRAD: Mr.Chairman, if the only individual left is Mr. Forte, we will withdraw our tentative objection.

JUDGE BECHHOEFER: Okay. We'll resolve it that way. BY MR. SINKIN:

Q. Mr. Warnick, let me ask you your assessment of the performance of Mr. Roger Forte.

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I'm not -- I'll have to ask Mr. Singleton. I'm not sure about the time this report was made what his position was, but there was a supervisory -- certainly with Mr. Warnick, there was a supervisory relationship.

JUDGE BECHHOEFER: Mr. Sinking, could you tell us either the particular persons -- what relevance to what we have t o decide will their competence be?

MR. SINKIN: Well, first of all, Mr. Chairman, I can perhaps cure this problem very easily. He's given me the assessment of Mr. King and Mr. Pellingaras. The other assessment I was going to ask for was Mr. Roger Forte, who is all. over the record in these proceedings, in his interactions with Mr. Singleton and memos written about him are in evidence and written by him, are in evidence.

So, the only one I have left to ask about is Mr. Roger Forte, so he would be relevant because of the whole record existing.

JUDGE BECHHOEFER: Well, are these people still continuing on the project or not?

MR.SINKIN: Mr.Forte is not.

I'd have to check the list to find out if Mr. Pellingaras -- I don't think it's really relevant to solving this question, whether they're still at the project or not.

What we are trying to do is compare the assessment of Mr. Singleton of people who worked on the project, with the

WASHINGTON, D.C. 20024 (202) 554-2345 BUILDING, 300 7TH STREET, S.W., REPORTERS A. Mr. Forte was the proverbial pain in the ass.

To be blunt.

Mr. Forte had an attitude problem concerning the company he worked for. He had an attitude problem concerning the project. He had an attitude -- he just had an attitude problem.

Any effort to try and sit down and address what his specific concerns were, was totally fruitless. He felt that Brown & Root in some way had done him wrong and that the people on South Texas, although we tracked him down one time from departing and found out he was with Brown & Root at Comanche Peak and still permitted him to come back to South Texas project, as he wanted to, Brown & Root hadn't done right by him and he'd made statements on many occasions that they were going to pay any way he could make them pay and we had discussions with him. We talked to him on many occasions, about his attitude.

From a technical standpoint, he was probably pretty sound. You know, there's more than just technical qualifications. You have to understand job responsibilities. You have to understand how they relate to the interactivities going on and he -- I can't put it any other way --

- Q. Are you aware of an incident in which Mr. Forte was unhappy with the cleanliness of the pour and --
 - A. Yes.

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Q. -- and could you tell us your understanding of that incident?

I'd be particularly interested -- you say that technically he was competent and I'd be particularly interested in your assessment in that event, if you can make one, of whether technically he was correct.

- A. In that instance?
- 0. Yes.
- I'll give you my personal opinion, keeping in A. mind I am not a civil engineer or I'm not certified in the c'vil discipline.

That total incident resulted as a improper communications, for one thing, on the part of Mr. Forte to the people he was trying to coordinate with in his own discipline. which was the civil discipline superintendent, Q.C. side. Other interfacing lead inspectors.

What little bit of knowledge that I acquired initially under the condition was limited, to say the best, from what was presented by Mr. Forte to his supervisors.

The whole incident could have been handled in terms of communication by Mr. Forte considerably better than they were.

In Monday-morning quarterbacking, it was as though it was pointing to a situation of trying to lead people into doing something that he could say, "I told you so"-type

S.W., REPORTERS BUILDING, WASHINGTON, D.C. 20024 (202) 554-2345 300 7TH STREET,

situation.

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He identified, he said he had problems in the pour area. He identified those specific areas to the supervisor.

And as I recall, the question that was asked is, those are major areas of concern? Are those the ones that you feel are in the non-conforming condition?

And his statement was yes. Those were the areas that were addressed by the supervisor involved in the situation.

There were second opinions of the conditions from qualified, certified individuals as to whether or not those specific areas were in non-conforming conditions or not.

by other people, instead of staying there to find out, you know, if his concerns had been addressed, he opted to go on up to the shack and sit in there and wait for somebody to call him. When called, he flat refused to come back down and do anything -- even look at it from the standpoint of, was he satisfied with what was going on.

So, there was just a sequence of events there that because of attitude -- also, as I say, it was my understanding that statements had been made the day before to construction management that they were going to pay hell getting that one off the next day.

And he was going to see that it didn't get off.

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And all those things played a part in what developed in that specific instance you're identifying.

Now, as far as the communications, the type of communications -- I'm just giving you my understanding and. you know, from my involvement in the overall incident.

- Did your involvement include any assessment of the cleanliness of the pour, by you?
- Only to a limited extent, you know. Just from a layman's understanding of what has to happen with construction going and how the cleanliness has to be or a specific pour area.

My communications and my overview of what was the condition, was based upon a certified inspector's, lead inspector's and the supervision in the area at the time, of which I was getting cally the same type of answers from individuals, you know. There are a couple of areas will be cleaned. The remainder of it, you know, was totally within acceptable standards.

- Q. And I assume that in your recount of the incident the civil QC superintendent that you're talking about is --
 - A. Mr. Singleton.
 - Q. -- Mr. Singleton.

I'm going to show you a document now and go over it briefly with you and ask you a few questions.

The memo from T.B. Schreeder, Jr. -- to T. B.

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Schreeder, Jr. from A.J. Hammons, dated September 29, 1978, that was distributed yesterday, and I ask that it be marked for identification as CCANP Exhibit No. 51.

(CCANP Exhibit No.51 was marked

for identification.)

JUDGE BECHHOEFER: Was that number 51?

MR. SINKIN: 51.

BY MR. SINKIN:

- Q. Have you had a chance to review the document?
- A. I'm familiar with it.
- Q. In September of 1978, now, what was the position of Mr. T.B. Schreeder, Jr.?
- A. He was the quality control supervisor, Brown & Root.
- Q. And I see by the signature at the bottom, Mr. Hammons was Civil QC Supervisor?
 - A. That is correct.
- Q. And that you are the G.T.Warnick who was copied withthis?
 - A. Yes, that is correct.
- Q. As I read this document, I get a characterization of the incident and I'd like to give you that characterization and have you tell me if that's accurate -- what's reflected.
 - A. I will.
 - Q. It seems to be an incident in which, in certain

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conscruction activities are permitted without QC having a written procedure by which to assess whether that construction procedure is permissable and I see QC complaining that they are not supposed to approve any deviation, without a written procedure.

Is that how you assess this incident?

- A. No. That's not the true condition that exists here.
 - Q. Please explain it.
 - A. Okay.

On the project we have design documents, design specifications -- design drawings, design specifications and procedure.

The correlation between those documents establish what goes on on the project. Procedure says you will do it in accordance with a design document or a design specification or these are the criteria from those documents to be used.

Keeping in mind the documentation, Al Hammons was the civil QC supervisor. Mr. C. E. Johnson was a civil quality engineer. This isa group of supervision and engineering looking at a condition that's been identified out in the field. What this is saying is that, the process by which construction is permitted to add or delete Cadwelds from the structure, is based upon engineering -- or knowledge of the fact that they are doing this and acquiring engineering's approval to do so.

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The problem that's identified here is a sequence of events in which certain activities take place, which is not QC's approval but engineering's approval of what construction is proposing to do or doing.

The procedure that is referenced in here and the specific spec states that prior approval is required for the activity, for the addition of a Cadweld. It did not at that time state the sequence of events to occur. Whether it was prior to installation or prior to pour. It just said prior approval is required.

Some interpret it as you had to have that approval from engineering before you made that Cadweld inaccessible. Other interpretations was, no, you have to have that approval before you actually shoot that Cadweld.

So, the disconnect was, what is the time frame of this approval? And the purpose of this document was to get clarification from engineering as to when did you mean by prior approval, that you wanted that approval? Or wanted that right of approval.

And that's what the purpose of this activity was. from quality engineering and supervision going out to engineering and asking them that question.

There seems to be on the first page of this exhibit -- there seems to be really two problems in that first sentence.

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The one problem is the prior approval to make additional new Cadwelds, and then it says, "also the specifications and procedures gave no acceptance criteria as to placing tolerances".

Now, are placing tolerances a matter for QC to assess? Whether a Cadweld is out of tolerance as to where it should be placed?

A. If a Cadweld is to be installed, there are criterial established for the installation, positioning, location on the bar, that is verified during the Cadweld inspection process.

Now, there are critical perameters that have to be verified. Those conditions, in terms of the actual physical installation, were being met. The question raised was whether or not, you know, when you add that additional Cadweld, is that putting it in the criteria that is established for those already engineered in the system.

And what they're saying here is, there needs to be clarification of the overall process by which you add a Cadweld to the system. Where it says "prior approval" or "tolerance", what, as I recall, what we were discussing, because Claude Johnson worked for me at the time, is, we want engineering to state when you install these additionals, you know, are the tolerances the same or do we have to look at where it's at in conjunction to other adjacent Cadwelds, because you can't put one adjacent to, because of possible restrictions.

So, you know, what is the limitation of the adding of Cadwelds from the next one over, you know, adjacent to it on either side.

And these are some of the things that we were

And these are some of the things that we were trying to get clarified.

- Q. In determining that a Cadweld is placed with an acceptable tolerance, what you're talking about is it's distance from another--
 - A. Various tolerances.

Number one, is association adjacent Cadwelds; number two is the physical location on the bar that it's going to be Cadwelded to. Center line. Marker locations. What have you.

- Q. And it's the civil QC inspector that will measure that tolerance and determine if it is acceptable or not?
- A. I think he sent a simple QA inspector there. They are very pr fessional individuals.
 - Q. A simple --
 - A. I said civil -- not simple.
 - Q. I thought you said simple. I apologize.
- A. Yes. It is the Civil QC inspector's responsibility to verify location, tolerances and document them on the Cadweld inspection report.
- Q. Perhaps it's the last line of Mr. Hammons' memo

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able to complete any Cadweld inspection until proper documentation is available to do so.

A. Well, there again, you have to understand the terminology -- what that is saying is, until such a time as this is clarified -- because the sequence of events was the FREA, was documented, verbabl approval was obtained from either the PSE on site or the civil engineering group in Houston and we want to put this in; is it okay. Look at it. Yeah. When we get it documented, we'll sign it off.

And then the signing of the FREA came prior to the pour; when the pour was presented to QC, they had to present the proof FREA at that time for that additional or added Cadweld.

Al Hammons and the civil inspection group were saying, we don't interpret it that way. It says prior approval before such and such, but it didn't really get specific. So what Al-- and knowing Al -- what he's saying here, we're taking a position right now. We will continue the activity until somebody clarifies this position.

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0. I want to turn now to Staff Exhibit 46, which is the 79-19 investigation.

JUDGE BECHHOEFER: Mr. Sinkin, do you plan to do anything about this exhibit? Or do you want to wait?

MR. SINKIN: No, I don't think I do plan to do anything about it, Your Honor. I think having questioned Mr. Warnick about it, that will be sufficient.

JUDGE BECHHOEFER: Okay.

BY MR. SINKIN:

- Do you have the report?
- Yes. A.
- Let me direct your attention to the section where the -- I guess it's the second major section of the report, it's appendix -- well, mine doesn't say which appendix it is; it's the one with the socice of Violation that has the various allegations in it, and direct you to Page 13, Allegation No. 2. Do you see that?
 - A. Yes, I have it here.

MR. AXELRAD: Mr. Sinkin, that isn't Page 13 of Appendix A.

MR. SINKIN: Well, no, it is not; it's Appendix D, it must be. It has Allegation No. 2 at the top of the page. BY MR. SINKIN:

- Have you had a chance to read that?
- Yes. A.

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Do you have any knowledge as to the identities of Individuals A-3, A-6 and A-50?

Based on the description of the incident involved, I have opinions. I have nothing to substantiate me who A-50 and A-3 were in the NRC's perception, but I have my opinion who they are, based upon the incident.

Based on your information, can you identify for me A-3, A-6 and A-50, realizing that A-3 and A-6 will be one or the other, since there's two of them that did the same thing?

MR. AXELRAD: Mr. Chairmar, I would object to the question as stated. I believe that previously we had considered matters of this kind and it has been decided that witnesses were not going to give opinions but would identify informants only if they were certain that they knew who the individuals were.

My recollection may be faulty, but I'd just like to make sure that we all understand what ground rules we're operating on in terms of asking witnesses to identify these informants.

Again, we just want to make sure that we're not in any way derogating the NRC's inspection processes or their investigations of any matters at any project.

JUDGE BECHHOEFER: Mr. Reis, do you have comments on that?

MR. REIS: I was about to make another objection,

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in that I think it's cumulative. I think this is an incident that's been talked about, and I think it's very plain in the record that it's been talked about and the people have been identified, at least the protagonists, not the witnesses but the protagonists. I don't see where the witnesses are relevant, and I think yesterday it was said, not in the context of an I&E report but in the context of an actual incident of what happened, and I think just trying to connect it up with the I&E report is just cumulative and not particularly -- doesn't lead us any particular place.

We've already heard testimony yesterday on the particular incident, and I think that's enough.

MR. SINKIN: Mr. Chairman, I think Mr. Reis is perhaps talking from a basis of knowledge more extensive than

MR. SINKIN: Mr. Chairman, I think Mr. Reis is perhaps talking from a basis of knowledge more extensive than my own. We've heard testimony about a number of instances.

I don't know that it was that clear from the testimony we received that any one instance is this particular instance.

MR. REIS: I don't think we need the witnesses and the informants identified. I think the principals, if they're the same principals as were named before to the incident yesterday, I think that's sufficient, and I think he did identify it and talk to it yesterday.

I think there's no question that he did.

MR. SINKIN: Well, maybe I can just ask Mr. Warnick what incident he has in mind when he reads this, and if he has

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already testified to it --

JUDGE BECHHOEFER: That's the tie-up that doesn't exist yet.

MR. SINKIN: All right.

BY MR. SINKIN:

Mr. Warnick, when you read this, what incident springs to mind?

MR. AXELRAD: I would object to that question. I think the question should be asked more precisely. Is this an incident as described here which you believe you've previously discussed in your testimony?

I am not suggesting at all what the answer of the witness would be. I just don't want to have anything in the record with respect to what springs to mind as if similarities or anything else are relevant to this.

If this is the incident and Mr. Warnick believes it is, then that question should be asked.

MR. SINKIN: I'll withdraw the question.

BY MR. SINKIN:

Mr. Warnick, you said after you read this that you believed after reading it that you knew what the incident was and who the people were involved.

Let me first ask, is it an incident that you believe you've already testified to?

I believe it is.

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Can you identify for me what incident that was? 0.

I believe that what this allegation is talking about is the specific incident identified with Mr. Parton and Mr. -- I'd say Mr. Prince; the only thing concerning me is the early November '79 date. I think it was late October that that occurred. Where it says conditions, to me imply Mr. Parton and Mr. Prince. I could be wrong.

- I believe you testified yesterday that the Parton-Prince incident took place on 10-31-79.
 - I think that's correct. A.
 - So the early November is the part that bothers you?
 - (Witness nods head.) A.
- Just to be sure we don't get too far afield, you also mentioned the Parton-Slumberger incident around the same time. You said November the 19th.
 - That's correct. A.
- Does this description not seem to fit that incident?
 - It doesn't seem to fit it from my view of it.
- In the Parton-Prince incident, was Mr. Singleton present when the threat took place?
 - Yes, he was. A.
- And judging from that, if we assume for the moment that A-50 is Mr. Parton, when you turn to Allegation No. 3, which also seems to involve the same individual, I'd like you

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to read through Allegation No. 3 and see if you are familiar with that.

- A. (Witness reviews document.)
- Q. You've had a chance to review it?
- A. Yes.
- Q Can you tell me who the concrete foreman who knowingly allowed concrete placement to continue under deficient conditions would be?
- A. I can't -- A-50, of course, we know. A-45, I can't place a mame with that position right now.
- Q Let me ask you to turn to Page 26, Allegation

 No. 1-A, and ask you to read that and see if you're familiar

 with that event.
 - A. (Witness reviews document.)
 - Q. You've had a chance to review that?
 - A. Yes.
 - Q. Are you familiar with this?
 - A. I am only limited familiar with this.
- Q. Do you want to tell me the extent of your familiarity?
- A. The extent of my knowledge of it is discussion with the superintendent -- supervisor at that point in time, of the specific position and individual involved and the criteria for inspection of the specific curing activity, and that the criteria had been met and the sign-off of the card

was a -- were the results of the activity being verified as being qualified, you know, meeting the criteria, and there again, you know, it's my discussion with a superintendent or supervisor on the incident.

- Q. Who was the supervisor?
- A. Mr. Singleton.
- Q. Are you saying that it was your own conclusion from those interviews that the initials of the inspector had not been written by someone else?
- A. I don't know as this applies, being written by somebody else. I didn't read that into this. I believe it states that it was his initials or there.
- Q. Well, maybe I'm misunderstanding it. It says,
 A-5 identified Brown & Root quality examination checks as
 documents bearing his initials which falsely indicate he
 inspected concrete curing.

Then was it your conclusion that A-5 had put his initials on concrete curing but had not actually visually inspected it?

- A. That's how I interpret this, and from my knowledge of the incident -- or what was alleged to be the incident.
- Q. And A-31, his direct supervisor, do you know who that was?
- A. I can't put a name to that during that time period.
 We had -- it would be a lead inspector, and we had a number of

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lead inspectors. I can't put a specific name to that.

Q Turning to the next page, Page 27, Allegation 2-A, does that sound familiar to you?

A To put a specific incident, when we had a couple of action items associated with Item A-50, I can make an assumption of where it fits in, but I won't say specifically.

Q. Well, we have the fall of 1979.

A. Which fits into Mr. Parton and Mr. Slumberger, in my opinion, that classification.

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Q.	On	the	next	page,	alle	gation 3 A	, W	e have		
another	incident	in	the	October	and	November,	'79	period	with	a
construc	tion sur	eri	ntend	ent and	a 00	inspector				

Let me ask you this, Mr. Parton's position was construction superintendent or construction general foreman?

- At that point in time of these activities, he was general foreman at the time, as I recall.
 - Q. General foreman.

Did he later become a construction superintendent?

Α. I don't remember what title -- he was promoted. I know, but I don't remember what the title was that was associated with that. Whether it was superintendent or --

I believe it was but I won't say thatthat's it. They changed titles around down there and I don't know the exact title.

0. Okay.

Was he still there -- excuse me --

- At the time I left the project, yes, still there, when I left the project in February.
- Then returning to Allegation 3A, where a construc tion superintendent threatened at quality control inspector in October and November of 1979; did that incident come to your attention?
- A. I'm not sure what instance that is referring to, so I can't say yes or no, whether it came to my attention.

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Q. Mr. Singleton, I want to ask you about a series
of I &E reports and you testified yesterday you had been involve
in almost every I&E investigationthat had gone on since you
came out to the plant.

JUDGE BECHHOEFER: Mr. Sinkin, are we going to get to a new area?

MR. SINKIN: Do you want to take a break?

That might be helpful. I can give them a list of the ones we're going to go through and they can have them -
JUDGE BECHHOEFER: That would be helpful, I think.

We will take about 15 minutes.

(Short recess was taken.)

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will be served tonight and be here.

JUDGE BECHHOEFER: On the record.

MR. JORDAN: Mr. Chairman, before we get right back on track, we have been in touch with the authorities in the State of Washington and they tell us they have been in contact with Mr. Shaw and they expect to serve him tonight. They have talked to him about it. So, we will expect that he

Would it be useful to discuss with you privately the amount of cross-examination, so that we would know whether Mr. Shaw conceivably could start on Thursday or whether he should wait until Friday?

MR. JORDAN: I guess we could do that. You are the ones who would be able best to make the judgment whether

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-- given everyone's estimate -- it depends on whether the staff is ready to give an estimate at this point.

I could have an hour or two.

MR. SINKIN: Yeah, and I would have, at most, an hour. Maybe less.

MR. JORDAN: You also have Mr. Williams.

JUDGE BECHHOEFER: I take it Mr. williams will be added to the other panel --

MR. AXELRAD: No. Mr. Williams is testifying separately. Mr. Williams is in construction.

JUDGE BECHHOEFER: I realize that, but he will be on separately?

MR. AXELRAD: Yes. He will be on whenever the Warnick and Singleton segment of the panel is completed.

JUDGE BECHHOEFER: Okay. Fine.

MR. SINKIN: That's very difficult, you know, unless he says something really outrageous, I doubt if I'll have a great deal to ask.

MR. REIS: The Staff feels the same way.

MR.JORDAN: Well, why don't we proceed with this cross and then you will have a better opportunity, over lunch or something, to give us an idea based on your own evaluation, as to what kind of scheduling we could do.

MR. AXELRAD: Does the Board have an updated estimate from the other parties as to how long the cross-

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examination of the other two members of this panel will take?

At first it had been contemplated that the

At first it had been contemplated that the testimony of all three members of the segmented panel, plus Mr. Williams, would have been completed in two days. As of yesterday, we were told that Mr. Singleton will not get on before lunch today and that Mr. Wilson will not get on before some time tomorrow and it doesn't appear that we are too near completion of Mr. Warnick. I may be wrong.

I would suggest that by lunchtime or so that the parties give the Board some additional estimates of what they think will be required for this three-member panel.

JUDGE BECHHOEFER: We have had separate estimates from the Intervenors. The Staff gave us a lump estimate.

MR. AXELRAD: If the Board has all the information it needs, that's fine.

JUDGE BECHHOEFER: Mr. Sinkin, see you pretty much on the schedule you gave us? You would have used up three-quarters of what you gave us?

MR. SINKIN: Yes. I'm in the last -- asking about the I&E reports is the last segment of my questioning and then I'm finished.

JUDGE BECHHOEFER: Okay.

MR. SINKIN: Before I do get to the I&E reports, I had one area I forgot to cover earlier and I wanted to ask you about it. I'm sorry.

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BY MR. SINKIN:

- Q. In the area of waterproof membranes, Mr.Warnick, are you familiar with what a waterproof membrane is?
- A. Limited. I know what it is. Know what it's supposed to do.
- Q. Has there ever been an occasion where you have seen damaged waterproof memberane on a building at the South Texas Project?
 - A. Yes.
- Q. Was there ever an occasion where you sav damaged waterproof membrane covered over by backfill before being corrected?
 - A. Myself, personally? No.
 - Q. Were you ever told by anyone of such an instance?
- A. I seem to recall where we had documented a case where we had some damaged membrane that had been backfilled. If I'm not mistaken, that was documented on a non-conformance report.
 - Q. Do you remember at all the date of that event?
 - A. No, I don't.
- Q. Turning to the I&E reports -- let me direct your attention first to Staff Exhibit No. 8.

I ask you to --

- A. I'll proceed with this one.
- Q. Okay.

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(Document passed to witness.)

BY MR. SINKIN:

- Q. Now, we might short-circuit this a little bit.

 The investigation was conducted in July of 1978.
- A. July?
- Q. The investigation was conducted in July of '78.

 The report is dated August of '78.
 - A. Oh. I've got the wrong exhibit. Sorry.
 - Q. Are you familiar with --
 - A. Yes, I am.
 - Q. You are familiar with this? Fine.

Turning to the 5th page, I'm wondering if you are any of the lettered individuals A through N? In other words, if there is a letter that stands for you?

- A. No.
- Q. The next one is Exhibit 12 and my question is similar on Page 4, are you any of the individuals A through L?
 - A. No.
 - Q. Thank you.

Turning to Exhibit 60 --

JUDGE BECHHOEFER: Off the record.

(Discussion off the record.)

JUDGE HECHHOEFER: On the record.

BY MR. SINKIN:

Q. The question would be whether you are any of the

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individuals A through 0?

A. I'm trying to recall. This was during the transitional period -- I'm trying to recall the extent of my -- if any -- involvement in this specific --

I have not read this in its entirety, so that's why it is difficult for me to say yes or no, whether one of these identified is me.

- Q. Wait. I might be able to assist you. I'm looking at the interview of Individual C on Page 5, right about the lower middle part of that paragragh, it says, "Notified the site QA manager, Individual E." It's in the period of November, 1979.
 - A. Yes. I know what this is about now.
 - Q. Okay.
 - A. I am identified in this.
 - Q. As --
 - A. Individual E.
 - Q. E. Thank you.

Turning to Exhibit 61, whether you are any of individuals A through C?

- A. No.
- Q. Turning to Exhibit 67, whether you are any of the individuals A through U?
- A. Yes. One of them. Now, let's figure out which one it is.

Q. Okay.

A. I stand corrected on this specific item. This

is in PPM activities and I was related to another instance and

I don't believe I am identified within the body of this.

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Q. Okay.

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Okay. Turning to No. 70, Exhibit No. 70, whether you are any of the Individuals A through I.

- No, I do not believe I'm in this.
- Turning to No. 73 --

MR. AXELRAD: Mr. Chairman, if I may interpose, I'm not sure that the witness has had an opportunity, based upon the quickness of his response, to read an entire report to make sure whether or not he is one of the individuals.

MR. SINKIN: If the witness wants to take more time to assure himself, I have absolutely no objection to that. BY MR. SINKIN:

I want you to be sure, when you say you're not, that you feel confident you know you were not involved.

Is there a particular one?

MR. AXELRAD: No. I have no basis for saying that, other than the response came very quickly.

MR. SINKIN: Yes.

BY MR. SINKIN:

- Well, be sure and take your time.
- I'm saying to the best of my knowledge I don't believe I'm involved in this, based upon the original reason for the investigation and where it's located.

JUDGE BECHHOEFER: Did you state that for 73? BY MR. SINKIN:

I don't believe that you have answered on 73 yet.

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Q.	Yes,	as	to	whether	you	are	any	of	the	lettered
individuals.										

73, no, I'm not identified. A.

73?

A.

JUDGE BECHHOEFER: Mr. Warnick, yesterday Mr. Jordan asked you, I think, a question concerning drug use on the site. I'm not sure we ever -- well, I think you lumped that in with a number of incidents. Then I don't think Mr. Jordan ever got back to asking you about that one, when you separated it out from the verbal abuse.

Would that have anything to do with these allegations here?

WITNESS WARNICK: No, I don't believe it would, sir. It's a totally unrelated incident.

JUDGE BECHHOEFER: Okay.

BY MR. SINKIN:

But you were involved in the -- I remember you were listing events for Mr. Jordan. I understand it's not this one.

Yes. A.

But when you were listing events for Mr. Jordan that you were involved in investigating, you had one group that was verbal threats, and then there was that other one that was, I think, seven terminations, or something.

I think it all resulted in seven terminations, as I recall it.

- Q. And that involved QC inspectors?

 A. Yes.

 O. That were terminated?
- A. That's correct.
- Q. Were they all seven QC inspectors?

A. From the total I'm giving you, that is correct, but I only speak for quality assurance activities on the project.

- Q. Oh, there might have been people --
- A. And all quality control, quality assurance people.
- Q. Okay. Can you identify for me the drug in question, or drugs in question?
- A. Any drugs in question at the point in time of the specific investigation was marijuana and the possibility of cocaine, were the two specifics.
- Q. And the reason for the terminations of the QC inspectors was?
- A. Basically, the reason for termination was failure to cooperate with the company in our efforts to either prove or disprove the allegations that were made.

The company put forth an effort to give them a chance to defend the allegations made, and they either refused or they opted to depart themselves, so the basis for termination was they wouldn't cooperate in the company's effort to provide them a means of recourse.

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Q. You have here an event in which QC inspectors with a great deal of responsibility are charged with what I presume management views as a serious offense.

MR. AXELRAD: Mr. Chairman, I'm going to have to object to that question. I'm not sure that this relates to any of the matters that are before this Board at this time.

There's been no relationship made between that particular event and any intimdation or harassment allegations.

I've tried not to object because I didn't know how far Mr. Sinkin wanted to carry this, but if we're going to get into an extended discussion of that particular event, I believe it's irrelevant to the issues and contentions before this Board.

MR. SINKIN: Mr. Chairman, I think I've carried it precisely to the point of relevance, after having laid a foundation, and the point of relevance is here you have QC inspectors charged with a fairly serious offense that leads to the termination of seven inspectors, and the witness has said that the reasons for termination included that the opportunities afforded them by management to prove or disprove the charges were not used by the QC inspectors, and my question now is what was the nature of that opportunity that was given to a QC inspector to defend himself against a very serious charge that ultimately resulted in his termination. I think

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that's directly relevant to how QC and management support and how QC perceives the project, and all that sort of thing.

MR. REIS: I think the relevance is very attenuated, on behalf of the Staff. I don't see it directly relevant to intimidation and harassment.

JUDGE BECHHOEFER: The Board is going to sustain that objection. We think the connection is too tenuous.

BY MR. SINKIN:

Q. Turning to Exhibit No. 75 -- excuse me.

MR. SINKIN: Is that sustained on the grounds of relevancy or --

JUDGE BECHHOEFER: Yeah. It's too tenuous.

MR. SINKIN: Too tenuous.

BY MR. SINKIN:

Q. Exhibit 75, whether you are any of the Individuals A through K.

A. (Witness reviews document.)
(Long pause.)

Q I see you've taken the advice of Mr. Axelaad to heart.

A. My problem is, this Cadweld issue has been discussed a number of times on the project and the statements in here, I don't know whether I can equate to this specific --

- Q. This is an October 1980 investigation.
- A. In respect to the interview with the QA supervisor,

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I do not believe they're referring specifically to me in this case. I know there were a number of QA supervisors involved in this over-all task force for Cadwelds, and I can't relate this, the way it's presented here, as being specifically my response, although it would equate to.

- That's fine. A few more. No. 78, any of Individuals A through G.
- May I ask how many pages do you have in the one you're referring to?
- Q. Let me just double-check. You're looking at I&E report what, 80 --
 - 80-34. A.
 - Q. Okay. In this one there are eight pages.
 - You asked A through G? A.
 - Q. Right.
- I see C and N, but I see nothing associated with any comments by a total of A through G, so -- unless they are within the context of the statements made.
 - Do you identify yourself with any of those you see?
- I can't answer that right now. I'm just trying to get the correlation of this report.

(Witness reviews document.)

- Okay. Q.
- No, I am not identified in this report. A.
- Okay. Let me check with you. I don't think we

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did 75. I think I skipped over it.

MR. AXELRAD: We did 75.

MR. SINKIN: We did do 75? Okay.

BY MR. SINKIN:

279 111

Q. Okay. The last one I want you to lock at is to go back to 32.

MR. REIS: Excuse me. Was that 32?

MR. SINKIN: 32.

BY MR. SINKIN:

And to shorten it up, if you'll turn to Page 12 of No. 32, Allegation No. 9, it states that a QC inspector was given verbal instructions to disregard a stop work notice and sign the concrete pour card for a particular placement.

Do you know who gave those verbal instructions --

- A. Yes.
- Q -- to the QC inspector?

Was that you?

A. That is correct.

MR. SINKIN: That concludes my cross-examination,

Your Honor.

JUDGE BECHHOEFER: Mr. Reis or Mr. Gutierrez?

MR. REIS: Yes, sir.

CROSS-EXAMINATION

BY MR. REIS:

Q. Mr. Warnick, yesterday, in the course of your

testimony, you mentioned five construction foremen or superintendents who had threatened two female quality control inspectors.

Can you tell me when that happened?

A. I'm trying to relate -- the incident occurred, as I recall, July of '80 -- yes, July of '80.

Q. Thank you.

Can you tell me the nature of the threats?

A. I have a little difficulty, Mr. Reis, in that at the time of the incident I was on vacation, and at that time the project QA manager was on board representing the management activities on the project.

I have very limited information as to what transpired. It was handled by the project QA manager and construction management.

As fir as what went on, language and stuff used, I have no information on that, sir.

Q. This isn't information that would normally come to you in the course of your duties as site QC manager -- QA manager, I'm sorry.

A It probably is something that I may be required to know in detail, but at that point in time when I returned, it had been addressed by the senior man on the project, which was the project quality assurance manager and by HL&P, and except for just general information, I did not go into any of the details of the incident.

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Q.	Tha	it Qa	man	on t	he si	ite th	at you	just	referr	ed	to?
A	At	that	time	was	Mr.	Chuck	Vincen	t, who	o was		or
Charles	Vincent,	who	was	the	proje	ect QA	manage	r.			

- Is there -- were there any incidences of threats. threates involving a Mr. McGuire and any quality control inspectors?
- I think the record will show that there were --Mr. McGuire was involved in two, as I recall, instances in which, if I'm not mistaken, the Nuclear Regulatory Commission investigated those two instants of Mr. McGuire.
- 0. What were those instances? Can you detail them for me?
- I can't relate specifically those details. Those were -- as far as Mr. McGuire is concerned.
 - Q. Okay.
 - A.Right now I can't --
- Q. Has Mr. Evans also been involved in two incidents of the same type?
- A. Mr. Evans has been involved in two instances -- when you say of the same type -- Mr. Evans was not of a supervisory level as was Mr. McGuire.

Mr. Evans was an engineering tech, which is, you know, a day to day activity, support function, in the field.

- What was Mr. McGuire's function? Q.
- A. Mr. McGuire, as I remember, was a general foreman,

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concrete.

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3 tendents, ever been let go by Brown & Root for harassing or 4 intimidating --5 A.Yes. 300 7TH STREET, S.W., REPORTERS BUILDING, WASHINGTON, D.C. 20024 (202) 554-2345 6 Q. -- construction people? 7 Can you give me their names? I'm sorry. Quality assurance peonle. 9 A. Ga. Quality assurance people. 10 MR. AXELRAD: I'm sorry. Could we have a repeti-11 tion of what the question is now? 12 BY MR. REIS: 13 Have there been any construction supervisors. 14 including foremen, ever let go for harrassing quality assurance 15 people or intimidating or attempting to intimidate quality 16 assurance people? 17 Again. I have to answer yes. I think -- I apologize. 18 I thought that was basically the same question you asked 19 o riginally, I guess. I'm getting ahead of myself. 20 Yes. Construction has reprimanded supervision in 21 that form. Limited, but it has occurred. 22 Specifics --23 Q. Calling your attention to --MR. AXELRAD: Mr. Chairman, perhaps I either mis-24

understood the question or the answer.

General foreman.

Have construction supervisors, foremen, superin-

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witness --

BY MR. KEIS:

	4	Q. Have construction supervisors ever been discharged
345	5	for intimidating, harassing, attempting to intimidate quality
20024 (202) 554-2345	6	control personnel.
(202)	7	MR. AXELRAD: Thank you.
20024	8	BY MR. REIS:
N, D.C.	9	Q. Calling your attention to
NGTON	10	JUDGE BECHHOEFER: Did the witness seek to did
VASHII	11	you seek to add some explanation to that?
ALDIN 2, WASHINGTON,	12	THE WITNESS: I did and stopped.
	13	JUDGE BECHHOEFER: What was the explanation you
S.W., REPORTERS P	14	were going to add?
EPOR	15	THE WITNESS: As far as specifics, to set here and
.W., R	16	recall specific names it would be a little difficult. I
	17	could call them out.
7TH STREET,	10	BY MR. REIS:
9	19	Q. Calling your attention to Staff Exhibit No. 47,
67	20	which is Houston Light and Power Company's reply to
	21	Inspection 79-19 and calling your attention to Page 7, Item N
	22	at the top of the page; were you involved in those meetings?
	23	A. Yes, sir.
	24	Q. And can you tell me what transpired in those
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explanation you , to set here and le difficult. I Exhibit No. 47, ply to to Page 7, Item N those meetings? red in those meetings? ALDERSON REPORTING COMPANY, INC.

What was that last question, again, that the

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A. The meeting was scheduled after providing the
inspectors a week all the inspectors and all the disciplines
one week to put together a culmination of questions and concern
that they had, because it was difficult to try to address
individual people's concerns. We opted to go this route.

We had them put them together and had them coordinated within the discipline and then presented at the meeting with myself and my staff, where we could address them or make some provisions for getting answers for them to their questioned concerns.

I stand corrected.

I'm on the wrong meeting. I stand corrected.

This is in regard to HL&P and I'm on a different subject. Let me read this again and then address the question, if I may.

- Q. Surely.
- (Witness reading document.)

JUDGE BECHHOEFER: Point of inquiry. What page are

we on?

MR. REIS: Page 7. Item N at the top of the page.

MR. AXELRAD: We are referring to a meeting held

on May 8th, 9th, 1980?

MR. REIS: Right.

THE WITNESS: Okay.

The meeting was to -- this specific meeting was

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to address the specifics of information presented to us by the client, to perceive the issues that had to be addressed and we were looking into our perception of what those conditions meant, where the condition appeared to exist and what we may be required to do to address that concern and our commitment was to look into the problem areas and determined, you know, why our communication hadn't been as good as it could have been and what we could do to improve it.

BY MR. REIS:

- Q. Did you at that time have before you the specific items in the Notice of Violation and the examples of various violations?
- A. At this point in time, I don't remember whether we had the specifics or it was information that had been supplied to me by my immediate supervisor, through the client.

I can't say specifically whether I had the full report in front of me or not, but it was identified -- you know, these were what were perceived to be the problems and those were what we were going to address.

- Q. Turning to Staff Exhibit 46, which is the Notice of Violation and 79-19 etcetera, and going to Appendix A Page 2, and continuing -- looking at Page 2,3, 4,5,did you at that time have that list of examples?
- A. I cannot give -- no, to my knowledge, I don't recall these being any part of that.

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Q. Have you seen t	this	list	of	examples	before?
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- A. Yes.
- Q. When is about the first time you saw this list, first?
- A. That's difficult for me to say. I'd have to give a time frame of somewhere -- April through approximately June of 1980. That's right now, without going back to records on the project.
- Q. Was the reply to 79-19 and the reply to be submitted?
- A. Yes. In collective group -- I wasn't specifically come to and said, "What do you think?" I was addressed with the group.
- Q. And was there any attempt at that time to identify and verify the instances set out, that I have previously pointed to in Staff Exhibit 46?
 - A. Yes.
 - Q. Thank you.

Now, going back to Staff Exhibit 47 and going to Page 5 of that, Item I, can you tell me who those personnel were who were removed?

- A. Would you please repeat that, sir?
- Q. On -- going to Staff Exhibit 47, Page 5, Item I on that page, which states essentially that two B&R construction supervisory personnel against whom some allegations of intimi-

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dation had been made, were removed from the project in January and February of 1980.

I ask you who those people were.

- A. I can't give you an absolute. I can give you what I -- who I think they were during that time period. As far as being able to state specifically this gentleman and this gentleman, I can't do that right now.
 - Q. Was it Mr. Parton or Mr. McGuire?
 - A. No. Not Mr. Parton or Mr. McGuire.
- Q. Do you know what attempt was made to see whether the allegations of those who were removed were true?
- A. I'm not sure I understand that question, sir. Would you repeat it?
- Q. Essentially, did Brown & Root take any actions to see whether the allegations of these two supervisory people who were removed, whether those allegations were true?
- A. I do not know what construction management did in this case specifically, as to their investigation or what they did. This was the construction side of the house.
- Q. Yesterday, Mr. Warnick, did you not testify to a series of threats of various types to QC personnel by construction personnel?
 - A. A series of threats ?
 - Q. A group of threats.
 - A. I testified that there were instants of threats.

I have difficulty with the term "series".

Q. That's fine.

Now, let me ask you this.

About how many were there yesterday that were in that were in that group? About a half a dozen?

- A. Possibly six, as I recall.
- Q. Were you aware of a construction superintendent threatening to beat up an inspector?
- A. I need more detail of the incident before I can answer that, sir. That's kind of general.
- Q. Are you aware of an instance where a construction superintendent said to an inspector, "I ought to stomp your ass."?

MR. AXELRAD: Mr. Chairman, we have the same type of objection that we made when Mr. Reis attempted to ask those kinds of questions of previous witnesses. He is obviously reading from some document. If he has a particular event, mentioned in some kind of I&E report and he was to know if this particular individual has some knowledge of it, if he would refer him to that event so the individual could see exactly what it is, what Mr. Reis is referring to, he will get an answer for the record which will be helpful and complete.

These are presumably not hypotheticals that Mr.

Reis is talking about. If he has something specific in mind,

let us find out if this individual has any person! knowledge of

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it.

MR. REIS: I don't see why I have to do that. I think the question is perfectly proper. I don't see why I have to premise it by pointing to the written document from which I asked the question.

I am testing his memory and his veracity and I think I can ask the question without pointing to the writing.

Then we can connect the writing.

MR. AXELRAD: And the question is asked in such general terms without any sufficient specifics or dates or anything which might be useful or help the witness to identify what it is that his memory is being tested as to; if that's the purpose of the question.

I think it is objectionable on that ground.

MR. JORDAN: Your Honor, I would like to jump in on this. That question is perfectly -- absolutely proper.

Mr.Reis is testing the recollection of this witness, as he said, and obviously you can ask a general question, you can ask a specific question. You don't have to give the kind of details Mr. Axelrad is valking about.

Frankly, I think these objections come absolutely out of the blue, with no basis whatsoever.

JUDGE BECHHOEFER: I think we'll overrule the objection.

MR. AXELRAD: Can we have the quescion repeated,

Mr. ANELKAD. Call we have the question repeated,

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Mr. Chairman?

JUDGE BECHHOEFER: Yes.

MR. REIS: I can't remember the question exactly but I'm going to rephrase it.

JUDGE BECHHOEFER: Okay.

MR. REIS: Which will essentially be the same question.

BY MR. REIS:

- Q. Prior to December 1979, were you aware of a construction superintendent threatening to beat up an inspector on the site?
 - A. Prior to December? No.
 - Q. I see.

Prior to December, 1979, were you aware of a carpenter threatening to hit an inspector with a crescent wrench?

- A. No. Prior to December of '79.
- Q. Prior to December of --

MR. AXELRAD: May I interrupt for one minute?

Are these questions addressed as to when the individual -- when Mr. Warnick knew or when the event allegedly took place? What does the prior refer to?

MR. REIS: The prior in my question refers to when Mr. Warnick might have learned about this. Not the date of the incident.

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Warnick?

3 THE WITNESS: I understand where you're coming 4 from. 5 MR. REIS: Okay. D.C. 20024 (202) 554-2345 BY MR. REIS: 6 7 Q. Prior to December, 1979, were you aware of a threat by a person in construction to throw a quality inspector 8 9 off the dome of the containment? 300 7TH STREET, S.W., REPORTERS BUILDING, WASHINGTON, 10 A. No. 11 Were you aware of a threat to a quality control 12 inspector from a construction person, to hit him with a shovel? 13 A.No. 14 Were you aware that a quality control -- I'm sorry. 15 Let me rephrase that. 16 Were you aware that a construction person had 17 threatened to get a quality control inspector in the parking 18 lot with a .357 magnum? 19 Prior to December of '79, sir? 20 That's right, sir. 21 A. No. 22 In your duties and your responsibilities as 23 quality control manager, should these matters have been 24 reported to you? 25 A. In the course of activity, yes. If the individual

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Did you understand the question that way. Mr.

felt they were significant enough to warrant management attention, they should have been brought to my attention.

Q. Mr. Warnick, I think later -- do you -- have you gone out and sought to find out what threats were made on the project by construction personnel to quality control personnel?

MR. AXELRAD: Could we ask what time frame?

MR. REIS: In the period 1978, when you arrived as quality assurance supervisor on the site, to the end of '79. What attempts did you make to go out and find out what threats were made by construction personnel to quality control personnel?

MR. HUDSON: Your Honor, I would object to that question. There has been no foundation laid showing that threats were made or detailing what threats Mr. Warnick was supposedly supposed to go out and investigate.

MR. REIS: Mr. Chairman, I think yesterday we had a series of threats testified to. I think today we will connect up the threats we have just talked about and I think the question is perfectly proper. We've certainly had a number of instances talked about yesterday and the question is, what other instances and how did he go about finding such instances? Did he go looking for such instances?

MR. HUDSON: I'll object, then, that the question is cumulative. Yesterday he explained what he did in investigating those events that he was aware of. We've already heard

20024 (202) 554-2345 D.C. 00 7TH STREET, S.W., REPORTERS BUILDING, WASHINGTON, that testimony.

Now, if the question is, did you seek to find out about events other than those that you testified to yesterday, I think we need to have some identification of what those other events were that Mr. Warnick was supposed to investigate.

MR. KEIS: I think the question is perfectly proper as to whether he sought out such events. He learned about a few of them. Did he seek out others?

I don't see anything wrong with that question.

JUDGE BECHHOEFER: I think we'll overrule the
o bjection.

THE WITNESS: Would you repeat -- I'm not certain of the question you're asking.

BY MR. REIS:

Q. In the period from the time you arrived -- you took your position as quality assurance supervisor, to the end of 1979, what actions did you take to see whether there were threats to quality control personnel from construction personnel on the site?

A. Specific actions was through the staff who had the responsibility for supervision of the individuals, the inspectors, individual inspectors in the field, identifying to them and through meetings with inspectors and stressing the need for communications up through the rank and file to management on any instance that would arise out there.

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April of '78, when I came on board as quality engineering supervisor, until February of '79 when I became the site QA manager, my activities in that area was limited to quality engineering aspects.

'79, actions taken were communication with the supervisors; occasional communications with the QC inspectors to escalate any conditions, to make us aware of what's going on out in the field.

Direct involvement in the investigations of incidents were identified. That's basically the avenue taken to try to detect, understand and investigate any conditions that developed.

- Q. Prior to joining Brown & Root, what sivil QC or QA experienn had you had regarding civil construction on nuclear projects?
 - A. Other than terminology of what it meant, none, sir.
- Q. Now, in your opinion, Mr. Warnick, did the quality control inspectors who inspected welding have proper qualifications for that job?
 - A. Yes, sir.
- Q. Are you aware of the deficiencies found in welding reported in inspection report 79-19?
 - A. Yes, sir.
 - Q. Did you factor those deficiencies in your answer

that you just gave me?

A. The question you asked me was not related to 79-19 but in my opinion of whether o the welding inspectors were qualified, and to the required criteria established in the qualifications, yes, they were, and that's what I answered.

Q. Do you know whether those welding inspectors had passed welds that were deficient?

MR. HUDSON: Your Honor, I'm going to object to this. It has no relevance to the purpose for which this witness has been put on the stand. It's also outside the scope of his direct and I've allowed it to go on for a few questions to see if Mr. Reis was going to tie it up somehow, but he hasn't done so. So, I'll object at this point.

MR. REIS: Yesterday he talked about people being qualified. About checking qualifications. I think a perfectly good question is to talk about whether inspectors are qualified, is whether they passed deficient material, and that's what I'm getting at.

JUDGE BECHHOEFER: I believe it does relate to the direct testimony. I will overrule the objection.

THE WITNESS: Would you please repeat the question?

I'm as confused as you are, right now.

BY MR. REIS:

Q. Did the inspectors -- did the welding inspectors

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pass deficient welds?

- A. Yes. We detected areas where welds were passed by certified in pectors.
- Q. Was this a -- did you hear Mr. Broom's testimony or review Mr. Broom's testimony on the extent to which welds were passed that were deficient?
 - A. No, I don't recall being here during the testimony and I don't recall reading anything in terms of --
 - Q. Thank you.

Am I correct in remembering yesterday's testimony, that you did not check, did not verify previous employment experience and education of potential QC hires until after report 79-19?

A. That's correct.

Q. Calling your attention to the direct testimony at Page 14, how did you make a determination of whether a verbal threat presented a serious possibility of physical confrontation?

And I'm looking particularly at your answer to 16 on that page.

A. The position that's discussed in this portion is from being involved in construction activities and understanding language and attitudes and what transpires on a project, construction project, or any project where people are closely related, interrelating activities, lines and types of communication used.

Our total assessment is, over-all, the number of times that people have disagreements and express themselves in their own way of expressing themselves does not constitute verbal threats.

Only on rare occasions, if it gets to the point of a potential physical altercation taking place.

Q. I see. So you're telling me that someone who says,
"I'm going to get you with a .357 Magnum" is not threatening
the person he directs that language cowards?

MR. AXELRAD: We object to that question. That is not what the witness just said.

MR. REIS: I think the witness can very well answer that question.

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MR. HUDSON: Mr. Reis is leading the witness.

JUDGE BECHHOEFER: Well, why don't you rephrase it, would you consider it a verbal threat.

BY MR. REIS:

- Would you consider it a verbal threat where someone threatened to shoot another one with a .357 Magnum?
 - Directed that way, yes.
- Would you consider it a verbal threat where one threatened to hit somebody with a wrench?
- I'm having a little difficulty. I'd have to know the circumstances in which it was said. I've jokingly said to a friend of mine that I'm going to knock you on your ass, too; not meaning it, but is that a threat?

I have to know the context of what we're discussing.

- Well, let's put it in the context of a discussion between quality assurance -- quality control personnel and construction personnel about the sufficiency of construction.
- And in that case I would consider it a verbal A. threat.
- How about a general course of generally telling quality control inspectors on the job, construction people generally telling quality control inspectors on the job, you have to be careful around here because things might fall off and hit you on the head?
 - In general conversation, general between

construction and QC? That's rather a general statement.

Again, you know, you're talking circumstances.

If a specific individual told another individual that you better be careful around here, something may fall on your head,

I might consider it a verbal threat. Passing the word out from construction to QC, you get something thrown on your head,

I might have a little difficulty with that.

Q. On Page 14 of your direct testimony, going to Line 46, you use the word verbal harassment, and up above you use the word verbal threats.

Can you tell me what you mean by verbal harassment?

- A. Harassment, verber harassment is statements which tend to upset individuals or poke fun at them, or do those things which are irritants but would not necessarily cause anyone undue concern to go out and do something in violation of a requirement.
- Q. And there were instances of such verbal harassment called to your attention on this jcb?
 - A. Yes.
- Q. Did you ever try to stop verbal harassment on this job?
 - A. Oh, yes.
 - Q. What actions did you take to do that?
- A. Talked with individuals on the construction side of the house as far as the supervision of management that they

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needed to instill in their people, that even though statements made to them may appear jokingly at the time made, other people perceive it to be other than that. They may be insulted by it or offended by it and, you know, they needed to address that with their people during the meetings to weigh their activities, how it may be perceived by individuals they're talking to.

- Did you --
- A. Excuse me. And definitely not to get, you know, proceed into an involvement that may continue on into other than just the verbal discussion.
- Mr. Warnick, there was testimony about NCR's and the reporting of NCR's yesterday, and I call your attention to Page 21 of your testimony, I believe it is, that's talking about it, and particularly lines -- starting at Line 14.

Now, it was essentially on the quality assurance or quality control supervisors to determine whether an NCR was valid?

- That's correct. A.
- Wasn't that a design decision?
- The design decision is at the point of a document being issued that's considered a valid nonconforming condition. Quality assurance, quality control supervision are in a position to address what has been documented by the init ator of the NCR to determine whether or not the interpretation was correct as to the requirements of what is documented.

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Now, that position has always been established and is consistent with -- in the QA program.

Q Were these supervisors, QA/QC supervisors, engineers?

A. May I ask for a clarification? You mean degreed engineers?

- Q. That's right, sir.
- A. No, sir.
- Q. In deciding that an NCR was not valid, wasn't the same -- didn't it have the same effect as saying use the material as is, or use as is, as a practical matter in the course of construction of the work?
 - A. No, sir, I don't interpret it that way.
 - Q. Why not?
- A. For the simple reason, the position taken at the point in time is that there is no nonconforming condition.

 The use-as-is disposition by the engineer is the fact that a condition exists that is not in compliance with the criginal design criteria but is within the limitations of an engineering acceptance judgment.
- Q And it's a non-engineering decision, and a nonengineer can make the decision, but it falls within the engineering criteria?
 - A. The supervisor has that authority, yes, sir.
 - Q. At what point were NCR's numbered, before or after

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it was decided whether they were valid?

- A. I need a clarification, a time fram on --
- Q. If the practice changed, then er lain to me when the practice changed and what happened before a date you may give me and after the date you may give me.

A. Okay.

MR. HUDSON: Objection, Your Honor. It's cumulative, as I -- unless a different is being asked, but I thought he had already explained that system of pre-numbered versus unnumbered NCR's earlier.

MR. REIS: I don't think it was discussed in terms of when valid NCR's or when invalid NCR's were issued and when they were numbered and when they weren't numbered.

In other words, it very well may be, and I don't know at this point, that up to a certain date only valid NCR's were numbered, but after a certain date all NCR's, whether they were valid or invalid, were numbered, and that's what I'm trying to get at.

MR. HUDSON: I think that's exactly what he stated earlier.

JUDGE BECHHOEFER: We'll overrule the objection.

I don't remember all of those details, certainly; some of them, possibly, perhaps.

BY MR. REIS:

Q. In the period when you arrived -- let me break down

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the question.

In the period you arrived on the job, were NCR's serialized?

- A. No, sir.
- Q. Were they serialized -- when did they first become serialized?
- A. During that time period once it was initiated and validated by the supervisor, then a number was assigned and it became a control document.
- Q. Okay. Did there come a point where NCR's were numbered prior to determining whether they were valid by supervisors?
 - A. Yes, sir.
 - Q. And when was that?
- A. Again I'd have to give a general time frame, and I have to give the latter part of '78 in which we initiated that program. I can't give a specific date. Early '79; the latter part of '78 or first part of '79 is when the program changed. I can't give a specific date on it.
- Q. In the period 1978 through 1979, do you know how many NCR's were rejected by supervisors as not being valid in contrast to the number of NCR's issued?
- A. I can't give an actual percentage, but it was very minimal.
 - Q. When you say very minimal, do you mean less than

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25 percent, less than 5 percent?

- A. Less than one percent, probably.
- Q. You testified before that you reviewed part of Dr. Broom's testimony here.
 - A. That's correct.
- Q. And did you also review part of Mr. Grote's testimony?
- A. I don't recall reading a portion of Mr. Grote's testimony.
- Q In the course of your position on the South Texas site, did you become aware of the report of a time lapse organization, an organization with the name Time Lapse, dealing with the quality control work at the site?
 - A. Yes, sir.
- Q Were you aware, when you prepared your testimony here, of how that report viewed the quality control inspectors' perception of this board of quality assurance management?
 - A. Yes, sir.
- Q. When you prepared your report here were you also aware of Staff Exhibit 8, which is NPC Report 78-12, and Staff Exhibit 9, which is 78-13?
 - A. Yes, I was aware of these two reports, sir.
- Q. At the time you took your position as QA manager were you aware of the concerns expressed by Mr. Frazar to Brown & Root a few months before, concerning the quality

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assurance program at the South Texas site?

A. Without more specifics, I can't address that question.

Q I'll call your attention to Applicants' Exhibit 44 and ask you whether you were aware of the matters set out there.

A. (Witness reviews document.)

Would you please repeat the question associated with this?

Q. Were you aware that Mr. Frazar made the presentation to Prown & Root that is indicated in Applicants' Exhibit 44?

A. No, sir, I'm not aware of this document.

Q Did anyone in Brown & Root call it to your attention that HL&P at any time felt that Brown & Root quality assurance supervision was not supportive of Brown & Root's quality control inspectors?

A. I don't recall any specific direct input on it.

Q. Were you aware that the NRC felt, as shown in those exhibits, Staff Exhibits 8 and 9, that there might be a problem of QA supervision support of QC inspectors?

A. Yes. I was aware of those.

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Were you aware -- one second.

JUDGE BECHHOEFER: Mr. Reis, at some point in the near future we'll aim for a lunch break.

MR. REIS: Right.

JUDGE BECHHOEFER: So when you get to a good breaking point.

MR. REIS: I think that's all I have, until after lunch. I think this is a good time to break.

JUDGE BECHHOEFER: Let's break for an hour and

MR. AXELRAD: Mr. Chairman, if I may bring up just one additional item before we break.

JUDGE BECHHOEFER: Oh, okay.

MR. AXELRAD: At the morning recess I asked
Mr. Gutterman to call Mr. Shaw, to try to reach Mr. Shaw to
ascertain whether Mr. Shaw had in fact been served.

Mr. Shaw -- Mr. Gutterman was able to reach him, and Mr. Shaw indicated he had been contacted, I believe, by the sheriff and told him that he would be served this evening at his residence. As I understand it, Mr. Shaw has not voiced any objection to appearing at this hearing, but his problem is that it is very short notice to be told today and expect to get here from the West Coast in time to testify on Thursday.

He asked Mr. Gutterman as to what he might be able

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solution that Mr. Gutterman could make would be that he might want to reach the Chairman of the Board in that connection, but I thought to the extent that the Board is going to be thinking about schedules, the information that we have might be -- the schedule for the appearance of Mr. Shaw, that that might be one factor the Board might want to take into account.

Mr. Gutterman, did I omit anything on Mr. Shaw?
MR. GUTTERMAN: No.

(Board conference.)

JUDGE BECHHOEFER: I think it would be a good idea is if we get, and we would like to get a current update of the remaining time estimates so that we can decide on whether it's even practicable to bring Mr. Shaw here this week, or whether we will have to plan for the future.

We do not want Friday to be wasted, and we want some witnesses here every day, but we'll have to -- we would hope that maybe we could get an updated time estimate of the remaining time on this panel and also the next panel. Well, the next panel plus Mr. Williams.

MR. AXELRAD: Mr. Chairman, perhaps you could inquire of --

JUDGE BECHHOEFER: We can decide after lunch.

MR. AXELRAD: -- of Mr. Sinkin as to whether there is any possibility that any of his four witnesses who are local

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might be available to testify on Friday or Thursday.

MR. SINKIN: If the problem Mr. Shaw has raised with the attorneys for the Applicants is the shortness of notice and arranging to come, I would think that problem applies to any witness that's going to be notified today or tomorrow that they're to testify on Thursday or Friday.

JUDGE BECHHOEFER: It might make a difference -
MR. AXELRAD: This guy is coming from the West

Coast.

JUDGE BECHHOEFER: Right.

MR. AXELRAD: Others are within an hour or two of travel time.

JUDGE BECHHOEFER: Yes, to travel a short distance might make a difference than to travel from Seattle, which is fairly substantial and takes some time by air. _ mean, you lose time to get here traveling that direction, and there's a problem there, so that if we could get an updated estimate we might be able to ascertain more closely what day we're talking about and -- what was the -- Mr. Jordan, did you have any estimate about how long you thought Mr. Shaw's direct plus cross would take?

MR. JORDAN: Two days.

JUDGE BECHHOEFER: I see.

MR. SINKIN: That was going to be Thursday and Friday.

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JUDGE BECHHOEFER: Okay. Well, before -- after we break let's get the time estimates, and then after lunch we'll try to put them together and see where we are.

It will be desirable to get Mr. Shaw here just

MR. JORDAN: All in one sitting; is that what you

JUDGE BECHHOEFER: At one sitting, yeah.

(Whereupon, at 12:25 p.m., a recess was taken until 1:45 p.m., the same day.)

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AFTERNOON SESSION

1:45 p.m.

JUDGE BECHHOEFER: On the record.

We are going to go off the record briefly to talk about scheduling and Jounsel and the representatives can discuss scheduling.

Wa're off the record now.

(Discussion off the record.)

JUDGE BECHHOEFER: On the record.

We have just been discussing certain scheduling matters. We have determined that Mr. Shaw will not be required to testify this week and so the subpoena, to the extent necessary can be modified to include a date which we later determine he will be required.

The Board doubts whether it can finish the Applicant's case this week, so we had projected that that case would take through probably half of the following the Tuesday. The Applicants are going to check with their operations panel concerning the scheduling of that panel.

Is there anything further that other parties think should go on the record?

(No response.)

JUDGE BECHHOEFER: Otherwise, we will resume the cross-examination of Mr. Warnick.

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CROSS-EXAMINATION (Continued)

BY MR. REIS:

Q. Mr. Warnick, you testified yesterday about the preparation of your testimony. I wasn't clear as to one thing.

When the original draft of your testimony was presented to you, were both the questions and answers presented to you or only the questions?

- A. As I recall, both questions and answers were presented in the original draft. That's my recollection.
 - Q. Thank you.

Now, you talked about your work with Bailey
Controls. When you came over here, who else came from Bailey
Controls here? Did somebody bring you here from Bailey?

- A. The project QA manager, Mr. Chuck, Charles Vincent, was previously employed with Bailey Controls.
- Q. Was there anybody else who came to South Texas Project, that you know?
- A. At the time I came on board, no. Mr. Vincent was the only one from B&W that I knew or from Bailey Controls, that I knew
- Q. What does one have to do to become a lead inspector, as anterested with the ordinary inspector?
- Q. Qualification and determination of promotion to lead, is basically a management, supervisory decision. The individual has to have demonstrated or have a very sound back-

ground in the quality control discipline and have demonstrated some supervisory abilities. Then it's discussed among the discipline supervisors and other lead inspectors and QA management, as to whether or not that individual would indeed perform as a lead inspector.

And that's the basis for the decision for promotion.

- Q. And you felt your lead inspectors were competent?
- A. Yes, sir.
- Q. Thank you.

Now, you talked previously about check lists and check lists being developed for the project.

Can you tell me when the check list was developed for welding?

A. For welding?

Check lists are developed during the development of the procedure to which they apply. The check list would have been developed at the point in time at which the procedure was developed for the welding activities.

- Q. Calling your attention to Page 11, Question 14 of your direct testimony and your answer thereto; am I right in interpreting that answer, that there was tension between construction and quality control at the time you arrived? At STP.
- A. At the time of my arrival in '78, my perception was there were some tension existing; as to whether or not it was greater or lesser than it was, than what had been experienced

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in the past, I was in no position to judge that, but I did recognize that there was some tension existing, yes.

- Q. What did you do to allay that tension? Or lessen that tension?
- A. Lessen? Most of our activities were directed at construction management in discussing with them programtic requirements, QA programs; expressing them concern with the lack of understanding of the construction supervision out in the field as to what was required of the QC inspector and the lead inspectors, their responsibilities. How they interfaced with the overall construction activity.

Discussion with the rank and file of the quality assurance department. Gettin their perception of what was transpiring, areas that we needed to discuss with construction. Trying to, you know, develop more of a formal communication path, so that people better understood one another's responsibilities on the project and why those responsibilities existed and how they were administered by the individuals.

Above and beyond that, other than addressing specific things as they occurred and going to construction management for their action or disciplinary action, whatever the case may be and making sure theyfollowed through with their activities.

Q. Now, you say in Answer 14,"there have been periods when there was concern about tension."

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Can you tell us what those period were, by date?

That statement you're reading is a joint statement A. from Mr. Singleton and myself. One of the specific areas that is being referenced in here will be part of Mr. Singleton's testimony. I was not on board at the time of the reference for the specific areas.

- Well, let's talk about since you came on board -is it May, '78?
 - I came on board April of '78.
 - Q. April of '78.

Were there periods when there was concern about tensions between construction and QC personnel?

- There were periods, yes, sir. A.
- 0. What were those periods?
- A. Let's see if I can give time frames.

I would have to time frame the latter part of '78 or the last quarter of '78. Having had a chance for project Camanager and myself and the QC supervisor to look back over from the time we came on board to that point in time, activities had trans ired would be what I would consider identifying an area of tension. What we considered needed to be addressed at that point in time.

- When you say the latter half of '79, can you --I mean, '78, could you be more specific?
 - The last quarter of '78. October, November would A.

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Now, the NCR's inspection reports, which are Staff Exhibits 8 and 9, 78-12 and 13 address tensions and they were earlier in that year.

During that time period, my involvement in project activities was in the quality engineering aspects. We had the project QA manager on site and this time frame would have been

Was that also a period of concern about tensions?

Q. Recall to me when you became quality assurance manager. I forgot.

addressed by him with the quality control supervisor.

- That was in February of '79.
- 0. I see.

Now, in the first half of 1979, were there also concerns about tensions between construction and quality control personnel?

A.That's difficult. There's always a concern of tensions developing. To say specifically there was one point in time where we were more concerned or something had made us, you know, sit up and take notice, so to speak, or something significant developing. I can't relate to any one specific time that we -- there was always the concern of what was transpiring in the field and what may be perceived as causing tensions and ways of relieving it.

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		Q.	You	test	ified	yes	ter	day	abo	out	a	dis	spute	or	a	fight
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- A. That's correct.
- Q. Now, you said you did not know all the details and then you said, "however, you went out in the field and this was not uncommon at the time".

When you used the word uncommon, did you mean such disputes were not uncommon?

- A. No, what I was referring to, it was not uncommon for me to go into the field to look at conditions, if certain conditions developed as the result of a supervisor calling me or maybe a direct contact from a lead inspector.
- Q. Now, there has been talk before about two instances of Mr. Parton threatening physical a cio. against QC inspectors.
 - A. That's correct.
- Q. Is Mr. Parton still onthe job, to your knowledge? Was he there when you left?
 - A. When I left , Mr. Parton was still on the project.
- Q. Between October, 1979 and the time you left, was Mr.Parton promoted?
 - A. It's my understanding that it was a promotion, yes.
- Q. And Mr. McGuire, were there two instances of threats by Mr. McGuire to quality control people?
- A. Having specific detail, myself investigating it, in the records there, there is indication there were two instants.

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- A. I can't answer that, sir.
- Q. At the time you left the site, was he still on the site?
 - A. That's -- I can't answer that, sir.
- 2. Who was the foreman in charge of complex concrete pours on the site? Who is the foreman who supervised the majority of the complex concrete pours in the shell walls of the containment?
- A. We would have to get into specific areas of responsibility. When you talk containment, you could havemore than one foreman responsible for an area. There are a number of civil foremen on the project.
- 0. Was there one foreman who was involved with more of those pours than any other foreman? To your knowledge?
- To my knowledge, I couldn't say one was involved more than another.
- There was also talk earlier today about two -- or yesterday -- about two instances involving a Mr. Evans. Was Mr. Evans on the site at the time you left the job?
- A. It is my recollection that he was still on the site, yes.
- Had he been promoted between, let's say, October 0. of '79 and the time you left the site?
 - A. I can tanswer that.

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Q.	Now,	you	testifie	d yeste	rday	that	there	was	an
allegation	that a	Mr.	Moreno p	ulled a	knif	e; i	s that	so?	

- A. That was an allegation, yes.
- Q. And that Mr. Moreno was thereupon escorted off the site.
 - A. That is correct.
- Q. What action was taken to verify whether or not this instance happened?
- Construction management called in the superintendents and the foremen of the area in which the incident occurred. We checked around with individuals to see if anyone had direct knowledge of the incident or was witness to the incident.

Based upon the information we received, construction management received, a decision was made but although we could not find anyone who actually witnessed the knife, but the allegation and the condition was serious enough that construction management took the action of terminating the individual.

You testified earlier today about the non-conformance control group saying it was purely an administrative function. They assigned numbers.

Was that the scope of your testimony?

- A.Yes. To assign numbers and control the documents in and out of the organization. It was the control point for --
 - Q. Did they do any trending?

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Any trending of non-conformances?

A. There was a section that was associated with them.

Not directly under the non-conformance group but associated

with them that did trend -- did non-conformance documents.

Predominantly in the welding area.

- Q. When you say associated with them, was it a different group of people? What do you mean by associated?
- A. They were within the proximity for the access of documentation but they weren't under a supervisor of the non-conformance tracking group.
- Q. Did Mr. Singleton ever make recommendations to you as to whether Mr. Parton or Mr. McGuire should be continued in employment with Brown & Root?
- A. I'm not sure what you mean by the term recommendations. The circumstances of Mr. Parton and Mr. McGuire were discussed with me on occasion but, as far as recommending, you know, that QA take a position for termination, not to my knowledge.
 - Q. He never did that?
 - A. Directly, no. Not to my knowledge.
- Q. Mr. Warnick, did the construction control people in the field need radios to report non-conformances or improper work, get instructions?
 - A. I can't answer for construction control.
 - Q. I'm sorry. Do the quality control people in the

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field need radios to report non-conformances or ask for assistance when they see something is going on that they feel might not conform with specifications?

-) would say there would be circumstances where the need was established. There are also circumstances where it may not be required that each and every individual have radios, but have access to someone who does have a radio.
- What individuals would they have access to that 0. had radios?
- Presominantly to a lead inspector or one inspector assigned a radio for an activity taking place involving a number of inspectors.
- Were these activities always in close proximity to each other or were these inspectors within hailing, shouting distance of each other?
- In general that would be the criteria for the number of radios required for a specific activity.
- 0. And your testimony is that in the past, fior to inspection report 79-19, whenever there were inspectors on the job at an activity, one of them had a radio?
- A. There was a radio accessible for that activity. yes.
- Okay. Was that radio in the quality control inspectors' control all the time?

MR. HUDSON: I'll object to the question. I think

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we need a definition of the word "control".

Is he asking, did the man never lend his radio out or --

BY MR. KEIS:

- 0. Was the radio in the possession of one of the quality control inspectors at that time?
- I would say as a general rule, yes. It was in the control of the quality control organization, whether it be the lead inspector or a inspector -- senior inspector assigned to an activity.
- Was there ever a time on this job where you expected Q. the quality control personnel to use the radios of the construction people, that they had out in the field?
- A. When you say "expected them to use", there were a time when they did use or had access to a construction individual's radio and used same.

As to whether -- it was not a case of expecting them to use. As I stated --

- What did you state?
- If they needed to make communication and the lead inspector was not right specifically inthe area, that was not an unsual situation for them to use a construction individual's radio.
- And they would borrow the construc -- what if they wanted to report a non-conformance on the part of construction?

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1 2 use? 3 A. refused an inspector access to a radio. 4 5 0. 6 7 8 9 A. 10 11 of permanent p ant equipment maintenance. 12 Q. 13

Could they borrow -- would construction give them the radio to

- I know of no incident in which construction ever
- Well, there has been a lot of testimony about incidents of possible intimidation or harassment. All of these i ncidents in the civil construction field? Were any in NDA or mechanical or in any other field? Electrical?
- One of the incidents we related to just previously was outside of the civil discipline. It was within the area
- But the vast majority of what we've talked about has all been within the civil discipline?
 - A. Yes, sir.
 - And who are the civil QC supervisors?
- There were a number of them.sir. You had the discipline superintendent or supervisor, depending on time frame. You had during the course of my tenure there, anywhere from four to six lead inspectors, which were supervisors.
- Q. When did Mr. Singleton become the civil discipline supervisor?
- I can't recall the exact date Mr. Singleton took A. over that responsibility. Sometime in the second or third quarter of '79, as I recall.
 - Q. Did it ever come to your attention that Mr.

Vincent came to the site at the time that a concrete pour was stopped and threatened to fire the quality control inspector if he ever stopped a pour again?

- A. I am not aware of the specific details of that nature, no, sir.
 - Q. You know of no such instance?
- A. Where he physically threatened the inspector himself? Is that what you're referring to?
 - Q. Or threatened anyone.

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JUDGE BECHHOEFER: I was going to say I don't understand that, because for one thing, I don't know who else could stop a concrete pour.

MR. AXELRAD: Could we have the question rephrased? Perhaps that would be the best way.

JUDGE BECHHOEFER: Yeah, I understood it to be related to concrete pours.

MR. REIS: Yes.

BY MR. REIS:

Q. Did Mr. Vincent ever come to the site when a concrete pour was stopped and threaten to fire the QC inspector if he ever stopped a pour again?

MR. AXELRAD: The witness has already answered that question, I believe.

MR. RF.S: Okay. Well, I thought his question was, well, who did he threaten, and I said the inspector or anyone, and I'm waiting for an answer.

WITNESS WARNICK: No. I think my statement was, are you talking about a specific inspector or incident where he made a direct statement of that nature to the inspector himself.

BY MR. REIS:

- Q. Where he made such a statement to any person.
- A. I do not recall being directly involved in any incident where Mr. Vincent made a direct statement to an

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inspector or, you know, that he would be fired on the spot, no.

Q You say you were not directly involved. Was this reported to you, or did you hear about such an incident?

A. The only incident I can recall is where

Mr. Vincent had came on board, went out into the field on a

condition and evluated and determined that the inspector,

through information from discipline people, the inspector was

not proper in his interpretation of what was going on, and

his position was that the pour shouldn't have been stopped,

and was very adamant in the position as far as, you know,

statements to the eff. It that the individual would be fired

on the spot, I -- the exact phraseology, no.

Q. When you say he talked to discipline people, what -- who are these people?

A. Civil discipline would be Singleton, lead inspectors involved in the area. The inspector would be one of the individuals.

Q. But you don't know -- did he go to design engineering?

A. I don't know, sir, whehter he went to design engineering or not.

Q. It wasn't uncommon on the site for construction to challenge interpretation of specifications of quality control inspectors, was it?

A. Oh, no.

language, they cursed, they used profanity?

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my interview, I went back to my office and checked around to

Q. And when they did so, they didn't use the politest

find out, you know, specifically what was developing as far as the nickname, if it was something that had Lean common knowledge out in the field that I wasn't aware of, and that was the first indication, and I could not get any additional substantiation that it was something that had gone on for a period of time. Now, whether or not people were totally honest with me, I can't say.

- Q Did construction always have work available in a time frame sufficient for inspection to perform a proper and adequate inspection?
- A. That's difficult to answer, when you say did they always have schedules. If you're asking me was the schedule in such a way that it permitted us time to do inspections --
 - Q. Yes.
- A. I would say there were occasions when the time frame was tight, but by the same token, I'm certain that adequate inspections were performed prior to permitting any activity to proceed.
- Q. And were there times when construction was not tactful in dealing with the comments of QC on the work?
 - A. On occasions, sir.
- Q Looking at Page 24 of your testimony, I see much about QA not being on the job, not doing things in the proper time, QC not being tactful; where in your testimony is the other side of the story that you just told me about?

A. I think in the total context of the testimony what we were addressing was those things perceived to be conditions within the QA/QC organization, the evaluation of our performance, conditions that existed that had a direct impact on the quality assurance department.

I think if you read throughout the testimony we're looking at tensions perceived or identified during periods of time. We've identified some of the causes of the conditions relating to construction.

This specific answer is in response to Question 27, which is asking whether or not construction was critical of the QC inspectors. I can't answer as to why there isn't a specific question as regards to construction's attitude or what have you.

- Q. And you had a substantial part in preparing this testimony?
 - A. Yes, sir, I did.
- Q. And you suggested questions at times for this testimony?
- A. Suggested topics or areas that should be considered.

 As far as formulating questions, I guess collectively we formulated those.
- Q. Looking at your te simony, also Pages 24 to 26, generally, and throughout your testimony. sir, is there any mention in it of QC's need not to be concerned with costs and

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scheduling?

A. No, sir, I don't believe we addressed that. We did not address things that were, in our opinion, common knowledge on the project. Quality assurance is totally immune from cost and schedule activities.

- Q What action -- does quality assurance have any responsibilities to see that the project is completed on time and within the costs?
 - A. No, sir.
- Q. What actions was construction taking to make sure that its people were tactful in dealing with quality control personnel at the times you talk about on Page 24 to 26 of your testimony?
- A. Relating to my portion of the testimony, which is, of course, from April of '78 to '80, construction, through a progression, developed training programs that involved further amplification to the construction rank and file coming on board of what QA's role was at the project, what they were indeed obligated to do in terms of nonconformances, bringing their supervision in on meetings to discuss their communication with their people on attitudes and professionalism and approach to doing business on the project. Those are the types of things that I recognize a construction's management effort into making their people more aware of the day-to-day activities and the interfacing relationships on the project.

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	Q.	This	mornin	g you	gave	some	names	to I	Mr.	Sinkir	1
as to	people	e who	constr	uction	n comp	laine	ed abou	t.	Isn	't the	ere
a v	were an	ny of	those	people	e also	thre	atened	by	con	struct	ion
person	nnel?										

- Some of those individuals were involved in some A. of the incidents we related, yes.
- Mr. Warnick, looking back at your tenure at Brown & Root and at the South Texas Project, do you think there was ever a time when you were over-concerned about the criticism of construction with the quality assurance program?
 - Over-concerned?
 - 0. Yes, sir.
- "'m not sure I understand. Would you please repeat A. the question?
- Looking back to your tenure at the South Texas Project, do you think there was a time when you were overconcerned about the criticism of construction about the job quality assurance was doing?
 - I was over-concerned?
 - Yes, sir.
- No, sir, I don't believe here was a time when I was over-concerned. I think during my tenure that anything that transpired on the project relating to the QA that I was concerned. I don't think to the point of overreaction or overconcern, though.

- Q Were the -- do you think your quality control inspectors were truthful in their inspection reports?
 - A. Yes, sir.
- Q. And truthful generally in reporting to authorities when they were questioned?
 - A. Yes, sir.

MR. REIS: That's all I have.

JUDGE BECHHOEFER: We'll take a break before our questions.

(A short recess was taken.)

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JUDGE BECHHOEFER: Back on the record.

Dr. Lamb will star the Board's questions.

MR. SINKIN: Mr. Chairman, before the Board starts, there is a matter that I wanted to bring to the Board's attention.

Mr. Warnick was questioned about a document. Exhibit 51 that was marked for identification and identified Mr. Schreeder as the Director of QC and during the course, I wanted to check this, that's why I hadn't brought it up earlier. during the course of discovery we asked for Mr. Schreeder's qualifications and Houston Lighting and Power said they would not provide us with Mr. Schreeder's qualifications because he was QA and not QC.

Now, we now have sworn testimony that Mr. Schreeder was QC and at this time, we would like to ask again, then, based on that information, for Mr. Schreeder's qualifications.

THE WITNESS: May I clarify the statement I gave? I identified Mr. Schreeder as quality control supervisor. Not director of anything.

MR. SINKIN: Quality control supervisor?

THE WITNESS: He was just part of quality assurance management supervision on the project.

JUDGE BECHHOEFER: I don't recollect all of the discovery responses, so that --

MR. HUDSON: I wasn't involved in it so neither do

20024 (202) 554-2345 300 7TH STREET, S.W., REPORTERS BUILDING, WASHINGTON, D.C. I but we will endeavor to look at the file and see if we can find a resume for Mr. Schreeder. If we find one, we'll give it to Mr. Sinkin.

M. SINKIN: Thank you.

BOARD EXAMINATION

BY JUDGE LAMB:

- Q. Now, Mr.Warnick, when you came into your QA manager job, were you brought into that job -- was it your view that you were brought into that job to solve some of the problems or types of problems which you've been discussing?
- A. That would be an integral part of it. I was brought into that position because of a reorganization and splitting, somewhat, of responsibilities.

The project QA manager would maintain ultimate responsibility for the total project. My position would be as staff function to the project QA manager responsible for the South Texas Project, the overall quality assurance program on the project.

An integral part of that responsibility would be to address concerns or solve problems as they develop or which may have existed. That would be an integral part of that function.

Q. During the discussions as a prelude to your moving into that position, was this discussed with you that specifically these problems existed and part of your role was to try to

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ferret them out or straighten them out?

I can't say it was specifically discussed with me. Because of my role in quality engineering, I interfaced with the staff members and the project QA manager. Any of those conditions were basically knowledge to me, you know, at the point of my becoming site OA manager.

- Did you have any specific instructions with respect to those types of problems, as part of your charge in your job?
- No. sir, not specific instructions. An assumed responsibility for a site QA manager, he addresses all and every condition that exists associated with quality assurance program.
- I was wondering about the context in which these problems were placed withyou during those discussions or if there were such discussions.
- There were no discussions which specifically addressed those, sir.
- in other words, nobody said, "We have specific problems of the type that you have been discussing here, concerning the harassment incidents."?
 - A.No.sir.
- Were any constraints placed on you with respect to tackling those types of problems?
- A. When you talk constraints, the only criteria that was established as far as my function as site QA manager was

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if, in the course of my activities, something required a
corporate QA program change, that had to be addressed through
the project's QA manager to the power group's QA manager
because our overall program impacts not only for South Texas
but for other projects we're associated with.

So, I had to interface with them to make certain that what we were proposing, you know, fell within either the site application or within the power group application. That was the constraints that was placed on the specific activities on quality assurance on South Texas.

- Q. At the time you came into the job, how did you view the relationship between B&R and HL&P relative to the QA-QC program?
 - A. I thought we had a very good working relationship.
- Q. You didn't feel that there were any, well, major problems between the two organizations at that point?
 - A. No, sir, not in working relationship.
 - Q. Do you know Mr. Swayze?
 - A. Yes, sir.
 - Q. What was your connection, if any, with him?
- A. Mr. Swayze was on the quality control side. I was responsible for quality engineering throughout the time that I knew Mr. Swayze. So, I had no responsibility for the individual.
- Q. Because when you came into that job, he was already out of the company; is that correct?

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- A. Yes. He was already out of the company.
- 0. But the incidents that led to his leaving the company, you were with the company at the time that occurred?
 - A.Yes, sir.
 - Q. And you do know him?
 - A. Yes.sir.
- Q. Do you have any first-hand knowledge of his work or the incidents which led to his leaving the company?
- I had no involvement or other than what is common knowledge on the project as to what transpired on this incident. That was handled strictly by the quality control side of the house, projects management and executive management.
 - 2. You were not involved in that at all?
 - A.No.sir.
- Q. Now, there have been several cases of verbal threats and harassments, some of which you described earlier today in discussions, I guess, with Mr. Sinkin and some of which you and Mr. Reis discussed.

Do you perceive any common denominator or common connection among those?

- A. No. sir.
- For example, were all of these or most of these in certain areas or disciplines?
 - There are common denominators, such as the

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discipline and construction and QA.

Above and be ond that, taking into account all the factors you would look at, to say there is one specific common denominator, other than those three conditions, I found no common denominator.

- Q. What would be the common denominator that you suggested with respect to the discipline?
- A. To look at a situation that has developed, you have to look at each and every aspect of it and the operation on a project such as this, each type of operation has some similarities and many uniquenesses. The pours have their own personality, I call it.

Each one has certain things that have to be done but each one has certain things that are unique.

Conditions. In one case we may have a rebar, you know, write up a rebar for being dislocated. Maybe disagreed by construction. Interpretation of the rebar requirement may be the next condition that the misunderstanding starts over.

Pour areas. Pour rates. Pouring too fast. The different things that are involved that ultimately develop into construction and QA not agreeing, you know. So, each of them have their own uniqueness and to say that there's a commonality between them where you can say becauseof this specific one, then we do have something existing. I had difficulty

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being able to associate that.

- Q. Do most of these or all of these fall in the civil area?
 - the majority that we have talked about, yes, sir. A.
 - Do you see any reason for that? Q.
- Yes, sir, because the biggest bulk of the activity A. going on at the project during this time was civil. Very limited mechanical. Very limited electrical.

That was the bulk of the activity.

- Do you attribute any of the difficulty with res-Q. pect to the civil personnel either in QC or in construction?
- I think all -- on both sides of the house, you have a number of individuals involved and, yes, there would be some consideration for the individuals involved in it.
- Q. Any particular ones, whom you would consider prime movers in this type of problem or --

I'm looking for patterns of commonalities.

Α. I think we have discussed a number of incidents in which the same names on both sides of the house have came up. But I also have to look, you know, at the number of personnel over a period of time on the project. The number over a time period. Different individuals involved in different situations.

You said several incidents. I look at it -- we've had a few incidents. Based upon the number of conditions that exist in which there is the potential for that -- the thousands

of inspections made on a daily basis, which permit, you know
provide the opportunity for there to be a disagreement
between construction and QA or QC and then look at the number of
items that have been documented over the course of that project
Considerably very few.

- Q. And you view these as principally isolated individual incidents, as opposed to generic type of problem?
 - A. Yes, sir, I do.
- Q. How do the number of these incidents on the STP project compare or contrast with other comparable projects?
- A. I say STP is no more, no less than any other project, in terms of where construction and QA don't see eye to eye on interpretation or what's required.
- Q. Do you have any basis for that? And by that I mean, statistics or something which would help us in comparing these?
- A. No, sir, no specific statistics. Just looking at it from experience, not only in construction but in manufacturing. In manufacturing they have the same conditions existing, where people don't specifically see eye to eye and, there again, it doesn't take statistics to look at the work activities on a day to day basis and look at the number of times a QC inspector has to attest to a construction craft's performance and say that on this day we had 25, 30, 50, NCR's written up, against a thousand inspections and over a course of two weeks,

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somebody disagreed.

I guess what I was concerned about -- not concerned about, but asking about, had to do with the number of flare-ups of verbal threats, physical violence -- although ou haven't had many of those apparently -- but of the types of harassment and threats we've talked about today.

I don't find it unusual that we have recorded the number we have in a project this size, with the number of personnel, you know, in terms of turnover, day to day contacts.

I would say that in my household of four people. you know, over a week's period of time there may be a disagreement. Of course, I'm kind of reserved. I don't flare-up, but you put a body of people the size that we have together, I don't find it uncommon.

- How about Marble Hill? How would these compare Q. with Marble Hill?
- That's a little unfair question. (Laughter) I'm still employed there. I want to stay there.

I think the position I would have to respond to is. each project has its own personality, has its own group of people. The same conditions existing on another project may not be as highlighted or as readily visi' le or as much of a concern to the individuals involved, as they appear to be on STP.

Maybe even more so on another project.

I won't sit here and tell you that Marble Hill did

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not have disagreements between the contract managers and the -
I mean the project engineers and the construction engineers.

The way they are handled may be different. The individuals involved may be different.

How one person perceives the other in their coming across; in other words, the old adage of diplomacy, you know, you tell somebody to go to hell and make him look forward to making the trip if you do it with diplomacy; the other way you may offend him, you know, so individuals.

Q. From the point of view of how these incidents were handled here, how would you compare that with how they're handled on other projects, Marble Hill and elsewhere?

A. I would say that the pattern of hardling is no different. You escalate up to management, to the highest management on the project, where the decision is made. You may have a circumstance that may be escalated higher because of maybe disagreements between site management. It wouldn't be unusual in those circumstances to go on up to executive management, you know, for resolution. I don't think it's any different on any project. You escalate the problem up through levels of management.

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Q. In	other words, the manner	in which investigations
were conducted	and the decisions that w	were reached, disciplinary
decisions t' t	were reached, were, on t	this project, more, aobut
the same, or in	ss rigorous than on othe	ers?

- I would say they were comparative. In fact, management investigated, site management made the accision on disciplinary action.
- Q. Is the type of decisions it reached were concistent, do you think, with practices in general?
 - A. I think so.
- Q. In the Staff Exhibit No. 46, you can turn to Page 2-22 --
 - A. Yes, sir.
- Q. -- there are a couple of statements on there, you've indicated that you're A-40 --
 - A. Yes, sir.
 - Q -- and so I'll ask you about your statements.
- One of them, I gather -- well, let's take the first one, which is in the sixth paragraph, beginning, "I'm not aware of," are you saying that that statement you did not make?
 - A. This statement?
 - Q. Yes.
 - A. No, sir. I did not make the statment.
- Q. Okay. So there's no point in asking you what you meant by that one.

A. That's correct.

Q. How about the next paragraph, now, that one in which you state every time you go to the NRC we find out; that's been interpreted by some different people in some different ways, and what I would like to hear is your interpretation, if you would.

A. /1. right, sir.

In the process of a meeting with the -- with all the quality assurance personnel on this specific date one group of people, an individual who is an old-time inspection hand, raised the question during the presentation that specifically asked me, why are we having so many NRC investigations.

And I said because they are getting allegations.

His next question to me was, well, why are they getting so many allegations? I said, I can't a that; only the people who are going can make t at low, so some general conversation transpired and the individual who is a character, he says, damn, these people come to management, and I said, Joe, I can't answer your question.

He said, well, why does this happen, Tom? I said,
I can sit here and give you my version of it and it won't
mean a thing. I can't specifically address it.

Somebody else, I don't even remember who it was, said, well, you know, they're showing up a lot, and it would

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seem to me like we could find out who was doing this, and my statement was, well, one thing for certain, you know, when they go to NRC we know because they show up at the gate; general statement.

And something else was said about the number of times that they had been in, and I said, yeah, you know, if I was NRC and getting all these phone calls and being able to not substantiate those allegations I'd be tired of getting them; just a general comment.

of, you know, you need -- if you have a feeling that you're not being properly addressed, you have an obligation to go to the NRC. This was stressed, you know, I thought pretty well throughout most of the meeting that covered NRC application and coming on board, but evidently somebody misinterpreted or -- which I have no control over, you know, why they interpreted that I was implying if they did go that they would be in trouble. I got no control over what they interpret.

So that's the general attitude of the meeting and my recollection of what the conversation was and what was said at the meeting, what I said specifically, and above and beyond that, that's all I can give you.

- Q. Was there any implication in there that they should not go to the NRC?
 - A. No, sir, not in my opinion. I strongly support

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that position, that they should have the right of access to the NRC.

Was there any suggestion in the context in which it was presented, or did you intend any, when you said every time you go to the NRC we find out; did you mean by this you found out the individual or --

The total context of my statement, I don't believe, is in here. I don't have a copy of mine, which I wasn't afforded a copy of it, but I think, if I'm not mistaken, I clarified we find out because they show up at the gate, you know. It's common knowledge on the project.

I didn't say anything that wasn't already known, you know, when somebody makes an allegation within a day or two the NRC is going to be there because they're permitted by their charter to investigate them.

You're saying this was not a suggestion, then, that if Individual Z went to the NRC that you would find out that that person went?

No, sir. A.

Anything else that you think of that we should know about that incident, because it's come up several times, and I'd like to make certain we understand all sides of it?

No, sir. Above and beyond what I said in the environment in which it was said, and what I meant by it, that's all I can give you. I can't tell you why, you know,

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other individuals interpret it as being a statement of if we find out who it is, you know, there'll be repercussions. I don't know why it would be interpreted that way. Only then can answer that.

Q On Page 26 of your testimony -- actually, this is not yours, I'm referring here to Question 30, dealing with card playing, and this is not your testimony, this is Mr. Singleton's testimony.

What I wanted to ask you is what do you know about the card playing?

A. During -- I wasn't on board during this time period. I came on board in '78. Anything that I would present at this point in time would strictly be on what I have heard as a result of this allegation from individuals.

- Q. None of this took place while you were in this position?
 - A. No, sir. Not even while I was with Brown & Root.
- Q In other words, on a firsthand basis you know nothing about it?
 - A. No, sir.
- Q. But was there any card playing of this type which would interfere with inspections during the time when you were with the company?
 - A. No, sir.
 - Q. Was any reported to you?

- A. No, sir, not during my tenure on the project.
- Q. In other words, card playing was extinct as far as you know?
 - A. As far as I know, they --
 - Q. During your tenure?
 - A. Yes, sir.
- Q. On Page 27, in the sentence beginning on Line 27, beginning with the "QC program," I find that sentence difficult to understand. I'm not certain just what you're saying there. I wonder if you could interpret that, read that and interpret it for me.

A. Okay. What we're endeavoring to point out in this statement was a lot of contentions were made that the quality assurance program on the South Texas Project was not effective, and what I'm saying is it was effective in that the system that was in existence during my tenure on the project, and the number of documented nonconformances that everybody keeps equating to, the fact that we documented, was our system working. That's what the quality assurance system is for.

You get out there and you verify what is happening, and if it's not in compliance you document it. I would be more suspicious of a non-working program if there were considerably less NCR's or if there was, you know, just a total indifference, but this attests to the fact that we were identifying and we were documenting, which is buying the program.

Q. Are you suggesting that the more NCR's you have the better the program was working?

A. No, sir, not necessarily, but it is one measure of the over-all performance of the program requirements. DCN's, there are other documents that attest to that portion of the quality program which have been established and followed by procedures.

- Q. Now, on Page 35 -- this is Mr. Wilson's testimony, the sentence beginning on Line 6 -- as a matter of fact, a couple of sentences there, beginning with, "It is ironic"; do you agree with that statement?
 - A. Yes, sir, I do.
- Q. This statement appears to be saying that one cannot run an effective QC program without the friction. Is that, in your view, correct?
- A. I would say within any organization where there is individual -- there are individuals responsible for performing an action and other individuals responsible for verifying their workmanship or their application to those requirements.

There will be some level of tension existing. You know, I have personal pride. Somebody comes along and tells me that what I just did isn't what it's supposed to be, and I think it is, I'm going to take exception to his position until I'm proven that I am wrong.

Q. This says in effect that that the fact that the

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friction was greater than normal indicated that the job was being done well.

A. I think, in terms of greater than normal, the environment on the project was such that it verified to QA management, QC management, that the inspectors were out there doing their job. That's what I -- I don't want to put words in Mr. Wilson's mouth. I'm just looking at the reference to what you made, in my own --

- Q. No, I was just asking for your view of it.
- A. I feel that the -- that condition did reflect good address to the QA/QC program.
- Q. Do you think that the existence of more than normal friction proves that the program was good?
- A. Well, I'm -- I might have trouble with the term normal friction. I would agree that a level -- a certain amount of friction within work stations would be a measuring stick, to a certain extent, that the program was working well.
- Q. Could greater than normal friction also be generated in a program which was working very poorly?
 - A. In my opinion, not from a quality standpoint.
- Q I'm not referring to one necessarily which is working poorly because of underaction but perhaps working poorly just because of the manner in which it is being conducted.
 - A. I have a little difficulty with that position.

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If it was a case where the quality control people were not doing their job, which would be a poor QA program, then I feel pretty confident that construction would be less inclined to have any animosity or any concerns towards QC because that -basically, because nobody's doing a really good check on their -- on bringing them to task on their performance.

- So generally you agree with this position? 0.
- A. Yes, sir.

JUDGE LAMB: Thank you. That's all I have.

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JUDGE BECHHOEFER: Mr. Warnick, actually, most of my pre-planned questions have already been asked by Dr. Lamb.

I have a few things I want to follow up on.

Q. First, just to fill out the record, on Page 8 of your testimony, ou mentioned that there approximate 125 inspectors in 1979.

Do you know how many there were when you left the project?

- A. I would have give an approximate, sir.
- Q. All right. Give an approximate.
- A. We were probably staffed at approximately 142-145, somewhere in there, as I recall it.
 - Q. Doyou know how many there are today?
 - A. No, sir. I've been away from there since March.
- Q. With respect to the testimony starting on Page 9,
 I believe you were asked questions about the training of QC
 inspectors -- I believe this was yesterday -- and at least when
 you were on the project, was it the practice of hiring QC
 inspectors who were qualified at that time for a particular
 inspection job or would you hire a person with general qualifications and train him or her for the specific requirements
 of the particular inspection?

You mentioned that they go t a certification. Were they trained to get the particular certification?

A. Individuals were hired on the project based upon

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their information concerning their education and their work time experience in this particular discipline.

Once brought on board, interviewed and brought on board, then they had to proceed through our formal qualification training program and acquire certification. There were occasions on the project where an individual who was hired into a non-technical aspect of the project with very limited background and everything, did not qualify per se on a specific discipline but because of time on the project, a year or two. working within certains areas, developed an understanding and a background, we provided what we call promotional avenues for individuals, employees, to give them a chance to progress and in order to do that, they had to work their way through the on-the-job training, go through training exercises to a point of where a certified level III, which is the highest certification under the certification program, would attest to the fact that these individuals had developed the background, the expertise and had the educational background for qualification for certification.

At that time we did not hire individuals per se with a general background. We looked for specific discipline application types of individuals.

- Q. So they presumably had some training and/or experience, prior to their being hired?
 - A. Yes.

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Q.	Did Brown & Root utilize or make use	of th	ne o
any waiver	provisions with respect to education?	Were	there
waivers of	qualifications?		

A. Yes, sir. One time on the project there was a provision made for waivering certain education or work time experience requirements, as defined under 45-26 or -- but these were as permitted by those specific standards.

They were documented on what was to be considered and who had the authority to consider the waivers and sign the authorization. Those were documented in our program.

There was a period in which that specific application was used on the project.

- Well, was that abandoned at some point?
- A. Yes, sir. It was amended to a limitation of nowaiver of work time experience or education, as defined within the structure of the procedure and our qualification program.
- 0. Do you know when that amendment took place? Approximately. I don't need the particular day or minute.
- That particular position was established after "show cause". The specific date on that, I would have to use a time frame of February through April, 1980.
- If you could remember this, were any of the persons for whom waivers were used, the subject of any of the complaints about QCinspectors which you had at construction -- personnel you had at various occasions and times?

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Is there any connection between that?

- A. I can't recall that being an inspector who was in that classification -- it would be very difficult to correlate, without going back to the subject individual. I couldn't make a statement on that.
- Q. I wanted to ask you one or two questions about the inspection reports but --

Do you have a copy of Staff Exhibit 46 in front of you? On Page 3-2 of the appendix, I guess, about three-quarters -- the fourth paragraph from the end, there's a statement that A-10 stated that he heard you threaten to fire inspectors who constantly refused to sign off places.

I wonder if you know anything about that?

- A. Repeat that, sir.
- Q. On Page 3-2 it says, "A-10 stated the he heard A-40 threaten to fire inspectors who constantly refused to sign off places. A concrete place."

I wondered if you knew anything about that?

- A. A-40. Yes, sir. No, sir.
- Q. I take it you also don't know who A-10 is?
- A. I can't -- I don't know who A-10 is.
- Q. And again, I take it you deny making a statement of that sort?
 - A. Yes.sir. I do.
 - Q. Anyway, this is Page 2-1 of report 79-19, the

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second paragraph from the end, is this L paragraph that would apply to your SOS statements?

- A. Yes, sir.
- Q. I take it A-35 is Mr. Singleton?
- A. Yes, sir.
- Q. Turn now to Page 18 of the report proper, under heading Allegation 6.
 - A. All right, sir.
- Q. Would you read the paragraph, just to yourself, the investigative findings paragraph.

I know you have made some statements already about the QC inspectors and support of their supervisors. I wondered if you would have any comments on findings that are set forth here? And particularly as it relates to A-40, which is you. Any additional things which you think the record might justify beyond what you've already testified as to your general support of QC inspectors.

- A. It's a little hard to address. Individuals, they perceive they're not getting support, that's their individual interpretation. If they can substantiate it. I don't necessarily have to agree with it but I cannot challenge their right to have that opinion.
- Q. Are there any particular allegations here that you don't agree with?
 - A. Well, I feel that the items identified within the

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body of this specific finding have validity, because they're stated by Mr. Singleton as some of his testimony as to some of the conditions that are identified here.

But beyond that --

Q. Let's see. Turn to page 21.

I believe Mr. Reis asked you a question about whether you had ever heard about this incident prior to -- I think it was December '79. Since that time but prior to reading this report, did you find out anything about that incident?

By the way, I'm going to ask you the same questions to fill in the dates on the other items.that Mr. Reis asked you about.

A. Looking at this specific allegation, once it was identified, I and, of course, I guess my supervisor, addressed the concern. It was expressed by what had transpired and the bottom line on our investigation was, that the individual who, the one from the QC side of the house, that was involved in this situation, really didn't consider as a serious threat to him, since the individual weights approximately 280 to 300 pounds, the individual was going to -- alleged he was going to through him off that containment and he weighs about 105, so -- this is one incident I wasn't aware of and primarily because the individual didn't think it was serious enough to escalate up at the time and this is the type of thing when we were talking about some of the other incidents we were going through.

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Individuals directly involved in those incidents were not concerned at the time they occurred or they would have escalated it to the next level of management, of which it was thought adequately resolved at that time.

There is another reason why, through my investigation, it didn't get to me to where I was aware of it when I was asked the question.

Incidents have been identified. People just didn't consider them that serious to escalate them up or -- we talk about the incident where the carpenter was going to hit somebody with a wrench. The inspector brought it to the supervisor's attention. They went out to find out where the carpenter was at, to get his name. He was gone. The inspector couldn't remember who it was, but he didn't -- in other words, something happens, it's over and done with and he didn't have any more concern about it, so the supervisor didn't come in and tell me about it because he thought it was, in his opinion, resolved. It didn't have anything to do with the quality aspects of the project, so he felt that he had handled it properly.

Another reason why I wasn't aware of the specific incident. This specific one here, though, once it was identified, I shouldn't have take it lightly but when you stop and consider a 280-pound man didn't consider it serious that a 105-pound man was going to -- I think the statement made by the individual,

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it was, "I cold him to pick the spot."

- Q. I take it from what you've been saying, that the incident probably took place but it wasn't considered by anybody, really as a threat.
- A. Especially the individual involved. He looked at it, you know, if this guy wants to write that kind of a check he's not too hot upstairs, you know.
- Q. The same as the incident that is recorded on Page 2-3, the top paragraph?
- A. Yes, sir, I believe that's the same incident as just referred to.
 - Q. Okay.

Now, the other incident that you mentioned, -- let me check my page -- the other incident you mentioned, is that the one in Allegation No. 10 on Page 22?

- A. Yes, sir.
- Q. Turn to Page 28, Allegation 3A. Is this any of the particular incidents you've testified about or do you have any comments on this one?

Or are you aware of this one at all?

- A. I can't equate this specific one, sir.
- Q. And I take it when you testified yesterday about hitting the gate, that's the incident on Page 29, Allegation 4A?

MR. AXELRAD: Mr. Chairman, may I get a clarifica-

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tion of your question as to what you mean by when he testified yesterday with respect to --

JUDGE BECHHOEFER: Mr. Jordan asked him yesterday -- I think it was Mr.Jordan -- asked him a number of questions about hitting the gate and what that meant and --

MR. AXELRAD: I may be wrong. My recollection was he said he didn't recall any incident involving hitting the gate. That s my recollection.

Maybe I'm incorrect.

JUDGE BECHHOEFER: Maybe -- well, maybe he did. Let me ask him.

BY JUDGE BECHHOEFER:

- Do you know anything about this allegation Number Q. 4A on Page 25? Do you have any knowledge of the Allegation No. 4A discussed on Page 29?
 - A.Only from this document.
 - Q. I meant independently.
 - A. Oh. No.sir.

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Q Turn now to Staff Exhibit 45, which is Inspection Report 80-25. On Page 4, are you aware of the incident or situation described in the second to the last paragraph on the page?

MR. AXELRAD: Mr. Chairman, are you talking about the one that begins, "One inspector felt" --

JUDGE BECHHOEFER: Yes.

A. No, sir. During this time period of this specific report, dated 10-29-80 -BY JUDGE BECHHOEFER:

Q. Right.

A. -- these specific responses would be generated by the project quality assurance manager and the site management group that was on board at that time. At this point in time I was quality control manager, and other than providing the numbers and information here, I was not directly involved in the investigation and the response to this specific area.

Q. So you would have no detailed knowledge of the particular incidents --

A. No, sir.

Q. -- discussed in this document?

Okay. This one, during the period just prior to April 1980 were you in a position to know why certain QC inspectors might have been terminated?

A. April of '80, yes, sir.

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Yeah. Turn to Staff Exhibit 55. The portion I'm interested in is an allegation that one particular inspector, a mechanical quality and control inspector was fired for being too effective in his job.

Is that in an area that you would have any knowledge of? Do you have any knowledge of this particular incident or allegation, I should say, because it was unsubstantiated, as far as the Staff was concerned?

- A. Yes, sir, I have knowledge of this specific incident.
- Could you make some comment on it and describe what you think happened?
- The individuals were alleged to be using drugs on the project.
 - Is this the seven you mentioned?
- This identifies, if I'm not mistaken in this report I state -- I believe I only -- I need to read through it.
 - Well, are these a portion of the seven?
 - These are a portion, yes, sir.
- So that would be the same incident you discussed earlier?
 - A. Yes, sir.
- Turn to Staff Exhibit 60, and the portion I'm referring to is on Page 13, Allegation 4.

Are you aware of this particular incident or

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allegation? Or doesn't this come close enough to the area -to your area?

MR. AXELRAD: Mr. Chairman, I'm reluctant to object to any question from the Board Chairman, but does this allegation have anything to do with QA/QC or any matter that this Board is interested in?

JUDGE BECHHOEFER: No, that's what I asked him, is the Brown & Root receiving department that is in no way connected with QA at all.

MR. AXELRAD: I'm not sure he understood the question that way.

JUDGE BECHHOEFER: Yeah, that's what I tried to ask, if he had any knowledge of that. If he doesn't, or if it --WITNESS WARNICK: No, sir, I don't. This is outside of quality assurance as I'm interpreting that section. JUDGE BECHHOEFER: Oh, okay. Well, that's all I

I believe that's all the questions I have. Do you ave any redirect? Would you like a few minutes?

wanted to find out, just to make sure.

MR. AXELRAD: Could we have a short recess, please? JUDGE BECHHOEFER: Right. What do you need, ten minutes, fifteen minutes?

> MR. HUDSON: Ten minutes will be fine. (A short recess was taken.)

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JUDGE BECHHOEFER: Back on the record.

Mr. Hudson or Mr. Axelrad, are you prepared with redirect?

MR. HUDSON: Yes, Your Hon r, we're prepared.

REDIRECT EXAMINATION

BY MR. HUDSON:

Q. Mr. Warnick, yesterday you described an incident involving a Mr. Evans and a Mr. Dave, in which, as I understood it, the two men had an argument and both men were disciplined for failing to escalate their disagreement up to higher management in accordance with project procedures.

Did either party threaten the other, as you understand the disagreement they had?

- A. No, there was no threat involved in it.
- Q. It was simply an argument, a disagreement of some type?
 - A. That is correct.
- Q. Yesterday you also testified regarding salary complaints of the QC inspectors and indicated that they were no different on this project than on any other project, with the possible exception, I believe you said, that not enough visibility was given to what management was doing.

I wanted to ask you, what was management doing about the salary complaints?

A. Management had initiated on various occasions

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proposed wage and salary program revisions, different ways of classification based upon certification programs, to upper management, and we went through three cycles over a period of time in order to try to address wage and salary on the project from a construction project standpoint rather than what we felt was an office or administrative type salary structure.

The rules of the road in any organization is that during the planning phases and during discussions that type of information is within the management rank and file confidential, so to speak, and it wouldn't be in the best interest of the project to put that information out to the individuals, building their hopes up or implying something was going to happen and then not have it happen.

But during the process of my time on the project we initiated a number of requests, a number of proposed programs for a wage and salary program modification, and that was what I meant by we were doing things which we could not, you know, at that point in time, make known to the inspection level, the personnel on board the project.

- Q In other words, you weren't able to tell the inspectors what you were attempting to do on their behalf?
 - A. No, sir.
- Q. In response to some questions from Mr. Sinkin you discussed the process of preparing checklists that were used by the QC inspectors, and particularly the relationship

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between a checklist and a pre-placement plan.

Were the checklists prepared individually for each placement during the pre-placement process, or were there standard checklists that were used on all placements?

A. Checklists were developed as the procedure which controlled the specific activities were developed. Standard checklists were always the standard inspection plan for a specific activity, including the placement of concrete, preplacement activities.

What I was referring to when I said checklists used in conjunction with the pre-planning is if during the course of the pre-planning activities areas were identified that needed special consideration, that weren't an integral part of the original checklist, these were added to it as check points for the inspectors, to make certain that activities required for that pre-placement plan were indeed covered.

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Q.	I'd like	to direct	your attention	to Staff
Exhibit 46,I	believe,	I&E report	79-19, Page 26	

Do you have that?

- A. Yes, I do.
- Q. Okay. This is the page that has Allegation LA on it?
 - A. Yes, sir.
- Q. And I believe you were asked some questions regarding this allegation by Mr. Sinkin.

I wanted to ask you -- it involves, as I read it, a curing examination check; is that correct?

- A. That is correct.
- Q. Was the curing examination that is documented on this check list in question, was the inspection actually performed by a qualified inspector?
 - A. Yes, it was.
- Q. So what is the nature of the falsification that is involved in this allegation?
- A. During the course of the curing activity, it was covered by a certified inspector, qualified for the curing activity. Upon the completion of the activity, the individual who had performed the last inspection was not available on the day on which the attesting to the finalization of the inspection was to be completed.

For a period of time we had been pushing the

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the flow where it was supposed to be, as a quality record and, in my discussion with the supervision associated with this they went throughthe documentation and verified that individuals who were qualified had performed inspections and as the activities required and that the individual was asked, because he was a certified inspector, based upon the information that was presented, to sign-off the fact that the activity had been p. perly covered and properly performed and the gentleman who signed it had not performed the last inspection but he did, indeed, sign the final acceptance of the curing activity.

This was interpreted as being falsification of records because he had not been the individual who did the final acceptance of the specific activity.

Q. Were the results of the inspections that had been done previously by the other inspectors, documented any place.

inspectors to finalize their documentation and get it into

Q. Were the results of the inspections that had been done previously by the other inspectors, documented any place for the inspector who signed the card to look at?

- A. Activities on a day-to-day basis are documented and passed on to the other qualified inspectors for continuity of activities. My recollection of discussion with supervisory personnel was that these were documented showing consistency of the activity, up to the point of sign-off of the card and that the curing activity was done properly.
- Q. Do you have any doubt at this point in time that the curing activity itself was properly inspected and done?

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A. No.

Q. I'd like you to turn your attention to Staff
Exhibit No. 32, please. Page 12 of that exhibit.

A. I have it.

Q. On Page 12, Allegation No. 9, I believe Mr. Sinkin asked you if you were the individual who gave the verbal approval that's discussed there and you answered, yes, you were.

Is that correct?

A. That is correct.

- Q. Could you explain more fully what this situation was? What verbal approval you were given and what the allegation was and what resulted from it?
- 4. We had a condition that developed on the project, which was well documented, of the apparent mix up of materials for anchor bolt materials. A-36 material versus A-193.

As a result of the condition and an engineering evaluation, part of the proposed resolution to the problem was a formalized test program established by engineering to run Rockwell tests on each of the anchor bolts in the respective pour areas and to verify whether the material was within the A-36 or A-193 range.

The program was validated, signed-off, proceduralized and team members were put together and trained within the procedure to perform that specific test function.

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The program was that these teams would go into
the field on associated scheduled pours and they would perform
the test on the anchor bolt, since that was the area of
concern and document test results as to the material within
those respective pour areas.

As each set of of testing was completed, if the test results indicated that the material in the anchor bolts in those pours was within the accept-reject range of the material, that we would release on a controlled basis, each of the pours as they were cleared.

This specific pour was one of the first -- was involved in the schedule of acrivities for four pours where these materials were involved.

The pour was held pending the final results of the testing --

Q. Excuse me.

You say the pour was held. You mean it was stopped?

A. It was stopped. Did not proceed until the testing was complete, the data acquired was evaluated and was verified as meeting the requirements for the material.

This specific pour, the only thing that was holding it up was the anchor bolt material question. The test
was completed, the test team member and the QC inspector brought
the test results into my office. The results was documented.

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properly documented and properly reviewed and signed off as meeting all the criteria for the specfic material identified in the pour. It was the general consensus of the test team member and the QC inspector and I also talked with the QC lead that was involved in the activity, that this being the only item outstanding and having met all the test requirements, that there was nothing remaining outstanding on the pour, so the question was asked of me, what do we do?

I evaluated the situation, found no non-conforming conditions existing associated with it, other than the fact that we had the formality of proceeding over and generating what we use as partial release activities. There would be a notation made to the stop-work order, that Partial Release No. I was for a specific pour area and had met all the requirements of the established test criteria and was, therefore, released for processing.

On that basis, QC inspector wanted direction. I told him based on the information available, proceed with the pour. When he left the office I felt we were in agreement with what was going to transpire and I started over to revise the "stop work" that is maintained in the document control section, which was in the QA vault, dislocated from my specific area.

I started over and in the process of going across to the other area, I ran into a construction manager who had just came -- became aware of a problem in the field; was

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requested to go to the construction -- assistant project manager's office to discuss he condition that had developed at that point in time.

And I got deterred from where I was intending to go and inthe course of activities that evening, things just developed up to a point of around 7:30 or 8:00 o'clock, we finally came to the conclusin that we had addressed about everything that we could possibly address at that point in time and I did not proceed on down to fill out the stop work, partial release.

A QC inspector, having been given the directive, once he arrived at the pour site, in order -- I guess he felt in order -- and in his opinion, protect himself -- he made the motation on the pour that the pour was authorized released by the site QA manager, which, indeed it was.

So, as far as the quality of the pour and everything made on it, there's not any question. We met all the criteria. The only thing is the sequence of events that led up to the final partial release on the stop work order, which was not in a timely fashion.

- Q. Were you the individual on the site at that time who had the authority to issue partial releases of stop work?
- A. At that point in time, it was my opinion -- I was making a management decision to proceed with the work activity.

 I felt I was authorized to make that decision from a management

standpoint. I was the senior man onthe project for quality assurance at that time, yes.

Q. In cross-examination by Mr.Reis for the Staff, he directed your attention to an earlier piece of testimony in which you had mentioned an incident in which five Brown & Root construction supervision personnel, I believe, were accused by two female QC inspectors and you mentioned that this had happened, I think, while you were on vacation and he asked you what the date of that was, and as I recall, you said July 1980.

Is that the correct date?

A. No. That is an incorrect date and I was going to address a correction to that.

The date was1979, vice 1980. That was during a brief period in 1980 and there was no sime for vacation during that time period. It was 1979, vice 1980.

MR. HUDSON: Your Honor, that concludes our redirect.

JUDGE BECHOEFER: Mr. Jordan?

MR. JORDAN: Yes, sir.

RECROSS-EXAMINATION

2 BY MR. JORDAN:

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Mr. Warnick, if you would, turn to Staff Exhibit 47. (Witness complies.)

Page 5, item I. I would like to make sure that I understood what you testified before in talking with Mr. Reis.

This statement of January and February, 1980, two B&R construction supervisory personnel against whom allegations of intimidation and harassment had been made were removed from the project."

As I recall your testimony, you didn + know who those two people were, is that correct?

- That is correct.
- Do you know of any B&R construction supervisory personnel against whom such allegations had been made who were removed for that reason?
- I can't testify that that was the specific reason. I know of construction supervisory personnel removed from the project, but I can't sit here and stipulate the reason was harassment and intimidation or perceived harassment and intimidation.
- Do you know the reasons at all for the ones that you know about?
- All I can attest to was the period of time after the show cause when a number of construction supervisory personnel

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20024 (202) 554-2345 300 7TH STREET, S.W., REPORTERS BUILDING, WASHINGTON, D.C. were let go from the project.

One of the incidents occurred while I was not on the project. I was away on business from the project. I do not know the specific details of what is listed on the termination. I'm privy to that information.

- Q. Of those construction superintendents about whose termination you are aware, in any case, did anyone tell you that they were fired because of alleged harassment or intimidation?
 - A. No.
- Q You testified I think in response to Dr. Lamb concerning your knowledge, or lack of knowledge, of the card playing that is discussed by Mr. Singleton in his testimony and I'd simply like to go to that for just a moment.

When you were on the project, is it your testimony that there was no card playing at all among quality assurance personnel?

- A. I think Judge Lamb's question was during my tenure on the project did card playing proceed that would impact what was going on, if I'm not correct.
 - Q. That may well have been, but that's not my question.
- A. Your question was, was any card playing going on, is that correct?
 - Q. That's correct.
 - A. I can only remember one occasion that I know of where

card playing was involved that I have knowledge of.

- Q. What was that?
- A. That was an after-hours situation shortly after the show cause full information was presented in which the '77 allegation of card playing was presented. I had the occasion to walk into a QC controlled area after the workshift was over and some individuals was playing cards.

I challenged them on it. All those individuals was off work and were waiting for their ride. They rode with the van pool and the individual who drove the van was working over. They did not have access to transportation, so they were sitting there playing cards. And I reacted to the condition and they ceased playing cards. I'm not too sure that they were too pleased with the fact that they ceased playing cards, but that's the only occasion that I can think of during my tenure on the project and all those individuals were no longer on work time or responsible for any inspection activities.

- Q How many were there?
- A. I don't know. I would say five, maybe six.
- Q. Do you recall who they were?
- A. I don't even recall who they were.
- Q. All right. I would ask you to turn to Staff Exhibit 46.
 - A. 56?
 - 0. 46.

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- A. 46.
- Page 21, Allegation 9, I believe it is.

You testified at some length about the -- whatever, the 250-pound man and the 105-pound man. I take it that A-2 was the heavier of the two?

- That is correct.
- What was his name? 0.
- A. Mickey Wiser.
- Mickey Wiser. 0.

Now, I gather Mr. --

- Now, I'm saying this from what my recollection is. A.
- 0. That's your --
- Mickey Wiser is -- let me think. I've got a number A. of large-sized individuals down there and this was back some time ago. I believe A-2 would be identified as Mr. Wiser. I can't be sure. I've got a number of faces to put the names with them.
 - Are you finished?
 - A. Yes.
- Putting the question slightly differently, you aid investigate the matter and talked with the people involved?
- Yes. I talked with Mr. Singleton, who had done the investigation on the condition that was identified,
 - And --? 0.
 - And he relayed the story and this was pretty much

confirmed by statements made or documented in the NRC reports as well.

- Q Now, with respect to Mr. Wiser. In this case he apparently made what you view as a reasonable judgment that this was either a meaningless or a foolish threat on the part of the other individuals, right?
 - A. This was the general consensus, yes.
- Q. Are you familiar with Mr. Wiser's work on the project and his ability with his responsibilities in carrying out his job?
- A. My knowledge of his responsibilities on the job was, he did a competent job.
- Q. In your view, he used what you would consider good judgment in which judgment was called for in his position as quality assurance/quality control responsibilities?
 - A. For those which I have knowledge of, yes.
- Q. If you would now, turn to 2-1 of the same document, Exhibit 46.

(Witness complies.)

This is a summary of the statement by A-1, and I would -- my question to you is whether you know who anyone is, and I would refer you, and let you read this, specifically to the fourth paragraph, the largest paragraph on that page which may well assist you.

(Witness reviews document.)

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the civil area.

	3	Q. Okay. What's the incident?
20024 (202) 554-2345	4	A. This was the incident related
	5	meeting in which A-50 and the discussion
	6	and the inspector disagreed with his pos
	7	statement he called me a liar. This was
	8	Q. A-50 was Mr. Parton in that i
i, D.C.	9	A. That is correct.
CTON	10	Q. Who were the inspectors that
ASHIN	11	A. Danny Prince was one of the
REPORTERS BUILDING, WASHINGTON,	12	remember the name of the other inspector
UILDI	13	Q. Do you know if Mickey Wiser w
ERS B	14	A. No, I don't believe Mickey Wi
EPORT	15	inspector. I could be wrong, but I don
S.W., R	15	Q. And you weren't there at the
	17	information from Mr. Singleton; is that
I STREET,	18	A. Right.
300 7TF	19	Q. Recalling the incident, this
36	20	"I notified my boss, A-30, who arrived a
	21	started." Do you know who that would be
	22	A. No because there are a number
	23	lead inspector and there were a number of

	그렇게 하는 그리 그리트 아이들이 뭐 하는데 하게 하는 것이 아이들이 그 아이들이 얼마나 하는데 그렇게 하는데 그렇게 하는데 하게 하게 하는데 하게 하는데 하게 하게 하는데 하게 하는데 하게 하는데 하게 하는데 하게 하는데 하는데 하게 하는데 하게 하는데 하게 하는데 하게 하는데 하게 하는데 하게 하는데
two inspect	cors. Now which A-l is of the two, I can't.
Q.	Okay. What's the incident?
Α.	This was the incident related to the postplacement
meeting in	which A-50 and the discussion as to he hadn't violate
and the ins	spector disagreed with his position and A-50 made the
statement h	e called me a liar. This was the incident.
Q.	A-50 was Mr. Parton in that incident?
Α.	That is correct.
Q.	Who were the inspectors that you were referring to?
A.	Danny Prince was one of the inspectors and I can't
remember th	ne name of the other inspector.
Q.	Do you know if Mickey Wiser was the other inspector?
A.	No, I don't believe Mickey Wiser was the other
inspector.	I could be wrong, but I don't believe so.
Q.	And you weren't there at the time, you got your
information	from Mr. Singleton; is that correct?
A.	Right.
Q	Recalling the incident, this says that A-1 says,
"I notified	my boss, A-30, who arrived after the placement
started."	Do you know who that would be?
A.	No because there are a number A-30 would be a
lead inspec	ctor and there were a number of lead inspectors in

A. Only to the extent I can associate the incident with

Q So A-1 could have had a number of bosses?

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- With respect to Mr. Prince, I believe you mentioned 0. him --
- Yes. He was one of the inspectors that I recall from the conversation.
- Were you familiar with his ability on the job and his function, the quality of his work in carrying out his responsibilities?
- My contact was very limited from those in the position. From what I knew of Danny, he was a young individual but was very conscientious in his work. He was qualified for certification. That's basically the perception I can give you, a young, eager individual.
- To your knowledge, he used reasonably good judgment in carrying out his responsibilities?

MR. HUDSON: I will object to the question, Your Honor. I believe the witness has testified that he had limited contact with the individual. I can't see how he is qualified to make the judgment call that is required here.

MR. JORDAN: I specifically qualified the statement by saying, "to your knowledge." He either has the knowledge or he doesn't.

(202) 554-2345 WASHINGTON, D.C. 20024 BUILDING, 300 7TH STREET, S.W., REPORTERS MR. HUDSON: I believe it's impossible for the witness to answer that question.

MR. JORDAN: That is flatly wrong. He can say he doesn't have knowledge.

MR. HUDSON: There has been no foundation laid showing that this witness has any knowledge that would enable him to make that opinion or to answer that question.

MR. JORDAN: I feel as if the more recent several answers that he's given haven't been given if the argument that Mr. Hudson is making is valid.

He has made his statement relating to his knowledge of the individual's work. And he made a judgment, as a matter of fact, to the degree of quality in his work. I simply asked him to carry on with his judgment. He either has the knowledge to make the statement or not, but it seems to me that he's already told us enough to show he might be able to.

JUDGE BECHHOEFER: Let me ask the witness: do you have enough knowledge to answer that question?

WITNESS WARNICK: I made the statement I have limited knowledge in the overall performance, but I would have difficulty in taking a very strong position.

JUDGE BECHHOEFER: You may answer the question, but you may qualify it in terms of how much knowledge you have of any particular statements.

A. From my standpoint, in the limited contact I had with

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Mr. Prince, I would say I'm not in a position on the broad scope of the project to state a position. I just have a personal observation of limited contact.

- Q The question was whether, to your knowledge of his work, he exercised reasonably good judgment or not when judgment was called for.
- A. My contact with him in those activities, yes.

 I would say yes in limited contact.
- Q. I would ask you now to turn to page 26 of Staff
 Exhibit 46, Allegation 1A. You discussed this allegation
 with Mr. Hudson, testifying that the inspection was actually
 done and so on. And I would like to ask you, to your knowledge,
 then, who is A-5?
 - A. A-5 in this report is, in my opinion, Mr. Carl Hart.
 - 0. And he was the quality control inspector?
- A. He was the quality control curing inspector. That was his certification.
 - Q. Are you familiar with his performance of his work?
- A. Again, not having day-to-day contact with him, limited familiarization with the individual.
- Q. And to the extent that you were familiar, was it your view that he was --

MR. JORDAN: Change the question.

Q. Could you tell us whether he performed his job well, as far as you know, competently?

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MR. HUDSON: Your Honor, I'm going to object to that question. I think we're going to have the same line of questions we had about the other individual. I don't see that it's relevant, particularly after the witness has testified that he's only had limited contact with these people. I don't see how his opinion, based on that limited contact, can be worth very much.

Moreover, the general subject of why his opinion about these people is relevant has not been demonstrated.

JUDGE BECHHOEFER: Could you explain the latter.

MR. JORDAN: Could we approach the bench, Your Honor, or dismiss the witness, as the case may be?

JUDGE BECHHOEFER: You may approach the bench.

(A conference was had at the bench.)

JUDGE BECHHOEFER: For reasons stated by Mr. Jordan and Mr. Reis at the bench conference, we will overrule the objection and not elaborate at this point.

MR. JORDAN: Do you recall the question? THE WITNESS: No, I don't.

BY MR. JORDAN:

Q. Concerning Carl Hart, who you had identified as A-5, in Allegation 1A, page 26 of Staff Exhibit 46, my question simply was, first, are you -- I believe I asked if you were familiar with the quality of his work and you said you were.

I want to ask you, is it your view that he did perform his tasks well and competently in his position?

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Mr. Hart.

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- A. Is that the question being asked now?
- That is the question being asked now.
- A. For clarification, I believe I said I had limited knowledge of the individual.
 - Yes.
- And my limited knowledge of it is that the individual had difficulty in performing assigned duties. He was limited in certification due to background, work time experience, Level I certification, as I recall, and curing operations was basically the extent to which he was qualified and certified. My recollection is there had been a couple of occasions in which Mr. Hart was discussed with me as to his understanding of what he was assigned to do in performing his responsibility. That's the extent of my limited knowledge with

Well, let me get it clear what you're saying. It sounds to me like you're saying he was limited in his technical knowledge?

- And limited in what he could do as far as criteria on a project.
- What do you mean by the latter statement? How does it differ from limitations in technical knowledge?
 - None. A.
- I gather he had a relatively narrow responsibility. Was it a responsibility in which you would expect him to

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exercise judgment?

- A. In the specific area of responsibility, there was some judgment involved.
- Q. And to your knowledge, did he use reasonable judgment in performing that task?
 - A. I can't answer that as far as judgment aspects.
- Q. Let me ask you, with respect to another individual noted in here, which is A-31. It says, "A-5 [which would be Mr. Hart] advised that he falsely signed off on B3 and B4 under the direct instructions of his supervisor, A-31." Do you know who A-31 is, his supervisor?
- A. A-31, as I recall the incident and discussion would be Mr. Dan Hope, H-o-p-e.
 - Q. And what was his position?
 - A. He was a lead inspector.
 - Q. Was this a lead civil QC inspector?
 - A. Yes, sir, lead civil QC inspector.
- Q. And with respect to Mr. Hope, what's your opinion of his performance of the jobs that were his responsibility as lead QC inspector?
- A. Mr. Hope was a very competent, very professional individual, well qualified within the discipline.
- 23 Q. He was?
 - A. Yes.
 - Q. You seem to have no hesitation. Did you have

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fairly extensive contact with him?

- A. Yes, I had. I had extensive contact with Mr. Hope.
- Q. And what is your view to the extent that he exercised judgment in his position? Is it your view that he exercised good judgment?
- A. I feel, from a supervisory standpoint, he evaluated the conditions that existed and based upon verification of activities that had been completed, requested somebody qualified in the discipline to initiate the action and sign it. I have to put this in the same category as my signing this type work. It was a supervisory decision he made.
- Q. You're talking about the specific matter discussed in Allegation 1A?
 - A. 's correct.
 - Q. Okay. I was really asking as a general matter.
- A. Oh, as a general matter, it was my experience that he used good judgment in any action that he was involved in on the project.
- Q. If you would turn, then, to page 3-2, which is the results of interview with A-10.

(Witness reviews document.)

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Would you review that for a moment and tell us whether you know whether who A-10 is or not?

- A. No, I do not know who A-10 is.
- Q. Now, if you would turn to -- I gue you've already answered that for me, so that doesn't matter.

You discussed with Mr. Hudson the question of salary complaints and the efforts that you made to change the salary structure, and so on, to take care of complaints, and I just wanted to be clear on something, that you were testifying to your efforts at your level in the company, put together a plan for your employees that you felt might be better for them, and the reason you didn't want to tell them about it was because you didn't know whether you'd be able to get that through the company or not.

A. That is correct.

MR. JORDAN: That is my recross.

JUDGE BECHHOEFER: Mr. Sinkin?

RECROSS-EXAMINATION

BY MR. SINKIN:

- Q. Returning for a moment, Mr. Warnick, to the firing of supervisory personnel right after the Order to Show Cause, do you know how many supervisory personnel were dismissed in that January-February 1980 period?
- A. I don't know the exact total. I know there was a period of time that they called St. Valentine's Day. I don't

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know the exact number involved in that specific layoff, termination.

- Q. Was that known as the St. Valentine's Day Massacre?
- A. That's correct.
- Q. Are there any of the construction supervisory personnel whom you know of that were dismissed who you believe engaged in intimidation and harassment?
- A. The only individual in -- that I have looked at as having what might be construed as direct involvement in what is termed harassment or intimidation would be the concrete superintendent, who was dismissed from the project.
 - 0. Who was that?
 - A. That was Mr. Quenton Lindsay.
 - 0. Yes. You had another?
- A. The other gentleman, who was the assistant project construction manager, Mr. Jim Salvetti, I -- Jim was a hard man but I never placed him in a category of being a true harassment and intimidation, and I'm talking from my time period in the site QA manager position.
 - 0. I understand.
- A. Of the other superintendents who were involved in the layoffs, some of those individuals I looked upon as being most supportive of our program, our QA program.
- Q. Who did you perceive as among the most supportive of the QA program in terms of supervisory personnel that were

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fired?

A. A Mr. William Kimper was in the February the 14th action, and Bill was, you know, any time that we went to Bill with a problem, he immediately addressed it and tried to get in resolved.

Another individual -- I'm trying to think of his last name -- was in the piping section. I can't remember the gentleman's last name, but he was a piping superintendent.

Q. What was his first name?

A. Bill. I can't remember his name, but any time we went to him with problems associated with piping activities he never failed to provid us support to get things resolved.

Some of the others in that group I was not as familiar with, you know, from day-to-day activities, as were these individuals.

I guess that's all I can give you at this point in time.

Q. Okay. Coming back to Mr. Salvetti for a moment,

I'm not sure I heard you right; did you say he was a hardhead?

A. I said that Mr. Salvetti was hard, from a construction standpoint.

Q. Hard?

A. Hard; which, you get to be a construction manager, that's not too bad a trait, in the true sense of the word. I found Jim, when I went to him with problems, he didn't hesitate

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I don't know what the working relationship may have been previously on the project with him. I can only speak for my time period on the project.

We spent a lot of time discussing QA philosophies and he worked with me to try to solve problems.

- Q. Well, when you say he was hard, are you talking about abrasive out in the field or --
- A. With the name Salvetti, there's an inherent association with temperance levels, or tolerance levels, but Jim was spontaneous in terms of response or opinions, very quick to give you his opinion of whether or not he thought you were right or wrong. It may be perceived by somebody to be a fault. To me it isn't, because occasionally I get very spontaneous.
- Q. Do you know, from your examination of Staff
 Exhibit 46, the Show Cause Violations, if any of the
 allegations in there involved Mr. Lindsay?
- A. I would have to go -- I haven't been through these recently. I'd have to go from what I recollect from when I did go through them, and it seems that Mr. Lindsay was identified in some of the allegations.
- Q. Do you have a recollection at all of the kind of event it was? That might help us.
 - A. The kind of event? It would be associat with --

I believe it was involved in discussions with Mr. Parton's actions, and in one case it also involved Mr. Lindsay, if my recollection is correct. I could be wrong. As 1 say, I haven't been in these --

- Q Excuse me. I think there may be some confusion.

 I'm asking you about Mr. Lindsay.
 - A. Quenton Lindsay.
- Q You said it might be involved with Mr. Parton or Mr. Lindsay. Did you me n Lindsay?
 - A. Ouenton?
 - Q. Yes.
 - A. Not between the two, but Quenton was Parton's boss.
 - Q. Okay. I understand.
- A. I seem to recall mention of Mr. Quenton Lindsay in, you know, you asked within the context of this whole report.

 I can't give you a specific area within this -- it's just my recollection, but somewhere in this thing ir. Quenton Lindsay was....
- Q. Well, let's take a stab at one. Try Page 2-24.
 This would be the statement of A-45.

MR. AXELRAD: Mr. Chairman, before we go much further on this, I would like to object on the basis that it is not clear to me how the questions at this point are proper on recross, which the previous questions, as well as this one, relate to.

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MR. SINKIN: Well, we started with the supervisory personnel that Mr. Warnick had indicated he had some feeling for were engaged in intimidation and harassment.

He said Mr. Lindsay was a borderline case, essentially; that he was hard, but not necessarily one of the harassers, and I'm trying to find out the incidents that Mr. Lindsay was involved in that would lead him to make that judgment.

MR. AXELRAD: I still don't understand,
Mr. Chairman. It seems to me that perhaps the identification
of the possible individuals might somehow have related to
what happened on direct examination and on cross, but they're
now going on further as to whether one of those individuals,
if they might have been Lindsay, was somehow involved in other
events. I'm not sure that that relates to the scope of the
original cross-examination.

MR. SINKIN: I'll try again, if you want.

We start with the fact that Mr. Warnick is aware of supervisory personnel who were dismissed that in his opinion engaged in intimidation and harassment. He named -- I'm sorry, he named Mr. Lindsay as one who engaged in intimidation and harassment. It was Mr. Salvetti that was borderline.

I'm trying to go from that to his knowledge of the Order to Show Cause, the events that Mr. Lindsay might have been involved in, and see what kind of events Mr. Lindsay was

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involved in, and if those are the kind of events that led him to conclude Mr. Lindsay was engaged in intimidation and harassment.

MR. RE S: Mr. Chairman, this seems quite attenuous as redirect -- as recross. It may have been proper for cross, but for recross the scope should be rather narrow and be directly relevant to what was asked before, and this gets beyond that.

MR. JORDAN: It seems to me this is directly relevant to the questions which the Chairman raised on the two people who were fired, whatever they called it, construction supervisors, who were fired for harassment and intimidation in January and February of 1980, and we're really just pursuing that to try and find out whether that's the case or not.

You're not limited to one or two questions; a line of questions was opened up.

(Board conference.)

JUDGE BECHHOEFER: I think we're going to sustain that objection. I think it's getting a little tenuous.

BY MR. SINKIN:

Q. In discussing verbal harassment, you used a phrase that I thought probably capsulated it, you said site language, by which I assume you mean rougher language than is normally used out in the everyday world because it's a construction site;

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is that what you meant by that term?

That's correct.

Q. And such language is common on construction sites,

in your experience?

Yes. A.

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Q. If you're experiencing an inordinate amount of
friction between construction and QC, as has happened in this
project, on occasion, do you feel from your experience on
construction projects, that written instructions to construc-
tion personnel, to always say please and thank you and sir, are
an effective way of dealing with that problem?

A. They are a means of communicating management's position, and making people conscious of what their conversation may be interpreted as.

As far as saying what I can do with a document to make people change what they are, you know, significantly, or overnight or make a saint out of a sinner, no.

- 0. Do you think it's realistic for management to expect such a directive to reduce verbal harassment?
- A.In a singular application of the procedure? I'd have to qualify my response.
- I'm talking about a single memorandum sent to all construction personnel saying, "From now on you should use Please, Thank You, Sir."?
- No, I don't think a single memorandum is going to do that.
 - 0. Thank you.

You characterized one incident as pertaining to permanent plant equipment maintenance.

Do you remember that?

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- 0. Which incident was it you were referring to?
- The individual who is identified involving the two inspectors and the five construction supervisory personnel.
- That s the one you changed the date on; is that correct?
 - That is correct.
- In changing the date from 1980 to 1979, are you leaving July as the month?
- I was on vacation during the latter part of July and the first part of August. The specific date on that would be either the tail-end of Julyor the first part of August.
 - 0. Thank you.

You answered a few questions about Chuck Vincent. Was he based on the site or in Houston?

- From 1978, April of '78, Mr. Vincent was on the A.project until the transition of project QA management to Houston. which occurred in February of '79, then he was based in Houston.
- You also mentioned, in response to a question that there were certain people construction complained about. QC, that construction complained about, who were also QC that were threatened by construction.

Can you tie the two together for us and tell us who you're talking about?

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A. I believe my statement were, there were people
A. I believe my statement were, there were people
who were identified by construction as having concerns of the
performance and they were also involved in the incidents
identified; if I'm not mistaken.
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Well, now -- either I have misunderstood or it is not what you testified to. I don't know which.

Let me just ask a straight question, then.

To your knowledge, among the inspectors construction complained about, did any of those inspectors experience intimidation and harassment from construction?

- A. Yes.
- Q. And which ones were those, that you remember?
- To go back to the original presentation, which A. harassment and intimidation, we have Danny Prince -- Dave --I'm not sure I gave that name. I was just thinking of an instance --

Right now I can't think of any other names that were specifically identified in any incidents so that I can relate at this point in time.

Q. Okay.

In saying that Mr. Dave experienced harassment or intimidation from construction, are you referring to the incident Mr. Hudson questioned you about or to another incident?

Do you remember Mr. Hudson questioning you on

recross?

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- A. I'm trying --
- Q. Or redirect.

Mr. Hudson questioned you on redirect regarding the incident of Mr. Dave and Mr. Evans.

- A. Evans. That's correct.
- Q. And his question was whether it was a threat or just a disagreement; when you say Mr. Dave experienced intimidation or haracoment, are you referring to that encounter with Mr. Evans or are you referring to some other incident?
- A. I'm referring to individuals who were part of the incidents and also were identified, have been identified in one form or another by construction as being a concern to them in support of the activity.

As I say, I don't know whether I mentioned Mr. Dave in the initial information.

- Q. Earlier, in listing inspectors in a group, you had a female inspector named Cecilia, whose last name you couldn't remember. Have you by any chance remembered her last name?
 - A. Cecilia Esposito.
 - Q. Esposito. Thank you.

 Did you have any direct interactions with Mr.

Swayze?

- A. Not from a project responsibility standpoint, no.
- Q. Other than a project responsibility standpoint?

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	Α.	I	have	talked	with	Mr.	Swayze	on	occasio	on.	but as
far a	as to			QC was							
the	organ	izati	on, I	had no	respo	nsib	ility	for a	any of	his	
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	Q.	W	hen yo	ou sayy	ou tal	lked	to Mr.	Swa	yze, y	ou m	ean
at th	he ti	ne you	u and	he wer	e both	on	the pr	ojec	t?		

- A. That's correct.
- Q. In response to questions from Chairman Bechhoefer, you were going through the incidents that you were not aware of; the wrench, the throwing off the dome; those things. And I don't think we quite finished that up.

You testified that Mr. Singleton investigated the throwing off the building charge and I guess I do have a question about that.

Maybe you can enlighten me a little bit.

Do you know -- referring to 2-3 in the Exhibit 46, you have identified A-2. Do you know who the construction person was that said "I'm going to throw you off the building."?

- A. No, I do not. I do not personally know who the construction worker was.
 - Q. And where do you get the knowledge as to his weight?
- A. From Mr. Singleton. Also from the individual involved in the incident in terms of -- I'm trying to relate specific information.

Mr. Singleton made the comparison of the two

individuals and the individuals more or less kind of joked
with an attitude to him about, why, because of his size.
So the primary input on that was from the individual I mean
from Mr. Singleton.

- Q. Now, you said A-2 is Mickey Wiser -- to the best of your --
- A. That's what I've stated. To my knowledge and understanding of the incident with A-2 was, and I put that name together because of the size of the individual, but I had three individuals who were of that --
 - Q. Size?
 - A. Size.
 - Q. Okay.

JUDGE BECHHOEFER: Mr. Warnick, was Mr. Wiser the same person that you mentioned someone was complained about because he couldn't fit into small places?

WITNESS WARNICK: No. That was nother gentleman, Mr. C. D. Smith.

BY MR. SINKIN:

Q. Okay. I guess what has me sort of hung up is the use of the term Friar Tuck here.

Do you know who Friar Tuck was?

A. I could only make an assumption on this print, and I don't --

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Q. No, I mean actually in literature, do you know who Friar Tuck was?

MR. REIS: I object to the question.

MR. SINKIN: I can make it directly relevant.

MR. REIS: I don't think it's very relevant. I think the hour is getting late and let's go.

MR. SINKIN: We probably needed that.

JUDGE BECHHOEFER: I think I'll sustain that.

MR. SINKIN: I didn't get to explain the relevance,

but, okay.

BY MR. SINKIN:

Q. On the crescent wrench event, the threatening with the crescent wrench, who was it that reported to you the details of that event?

A. Mr. Singleton.

Q. And what do you know about what happened in the incident where the construction man threatened the QC man with a shovel and threatened to get him in the parking lot with a .357 Magnum? Did anyone ever report to you on that?

A. No.

Q Mr. Singleton didn't --

JUDGE BECHHOEFER: Didn't he answer that question

before?

MR. SINKIN: No. When you were going through, you didn't ask that one. That's why I was coming back to it.

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JUDGE BECHHOEFER: Oh, okay.

BY MR. SINKIN:

- Q. You say you did not receive any report?
- A. I don't recall a specific report on that specific incident.
- Q. You have never at any time received a report on that particular incident?
 - A. Not that I can....
- Q. Did you ever discover the identity of any individual who had called the NRC with a complaint?

MR. HUDSON: Objection, Your Honor. I don't believe that's within the scope of the direct examination.

MR. SINKIN: Oh, it's very much so. Mr. Warnick was asked about a statement attributed to him that if you calthe NRC we find out about it, and that is the question I'm addressing.

(Board conference.)

JUDGE BECHHOEFER: That objection is overruled.

BY MR. SINKIN:

- Q. The question is, did you ever discover the identity of any individual who called the NRC to make a complaint?
 - A. No.
- Q. In questioning about that remark about if you call the NRC we hear about it, you related a circumstance in which

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you said things that you feel may have been misinterpreted, and you said that there was an old QC hand named Joe. Could you give me Joe's last name?

- A. Joe Keane.
- Q. Joe Keane.

Turning to 2-22, Exhibit 46, the fifth paragraph, if you would just read that for a moment.

All right. We know that A-50 is Parton and A-35 is Singleton.

Can you tell me what you're referring to there, what conversation, and what alleged direction given to Singleton?

A. Yes.

MR. AXELRAD: Mr. Chairman, can I object to that?

JUDGE BECHHOEFER: Yes.

MR. AXELRAD: What is the scope of that to the -any previous questions that were asked on cross examination?

MR. SINKIN: He was asked a number of questions
about this statement.

MR. HUDSON: He was also asked a number of statements about this report, but that doesn't allow you to ask questions about everything that's in this report.

MR. REIS: I don't recall that paragraph being asked about.

JUDGE BECHHOEFER: I take it you didn't ask about

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that, Mr. Reis. That's correct.

We'll sustain that objection.

BY MR. SINKIN:

Q. Referring to Page 26 of the Order to Show Cause report, this is the signing off on the cure that you've talked about extensively, when would the last inspector normally sign off on a cure? Would he sign off the day it was cured? Would he wait a week? Would he wait a month? When would he normally sign off?

A. Curing activities are time framed, established time periods for curing activities, whether it be wet curing or membrane, or whatever it may be. The final sign-off would be at the completion of the curing cycle, when it's verified that everything is as it should be and no physical damage to the surface, miscontinuities, or what have you, and that would be the time frame in which that activity would be finalized.

- Q. To your knowledge, did the inspector who signed actually review the records you testified were available regarding the previous inspection work?
- A. I can't testify absolutely that he sat down and reviewed them.
- Q. Is it your conclusion that Mr. Dan Hope told
 Mr. Hart to sign off, even though Mr. Hart had not done the
 final inspection?
 - A. It's my conclusion that Dan Hope presented what was

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considered the sequence of events and asked Mr. Hart to sign off on the document.

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Q Did any person ever tell you, or any document ever provide you with the source for the authority to issue a partial stop-work release?

A. I assume you mean a formalized program for that partial release.

Q. I am looking for what you would consider your source of authority for ordering a partial stop-work release, related to the time of the incident we have discussed.

A. Procedural requirement, as I interpret them would provide authority for controlled release of a stop-work order, the primary purpose of a stop-work order being to control the activity to insure that it probably addressed in the proper resolution to the condition prior to resuming work.

Q. Is there any particular procedure that you can point to that would give you that authority?

A. Within the non-conformance reporting procedure program on the project, provisions for issuance of stop-work and the criteria for releasing work controlled by that stop-work document, and it more or less is final signoff by the -- at that point in time was the signoff of site to a manager as authorization to proceed with work activities.

Q. When you say the non-conformance reporting procedure are you referring to a document or an actual document that is a control document at the site?

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A. That is correct.

Q. And that document gives the site QA Manager the authority to issue a partial stop-work order release?

A. It gives the site QA Manager the authority to release the activity controlled by it. It does not authorize or negate exercising partial stop-work releases. That's a decision as long as it is under controlled conditions that release is made.

Q. Was it customary for you to release stop-work orders, partially or otherwise?

A. Customary? It was mandatory. I was the only one that actually could release them.

Q. The document, itself?

A. The activity. The document was only a formalization of stopping the activity.

Q. I seem to be hearing that there is a document, a stop-work order, and that for the activity to go forward you have to let the activity go forward, and at the same time you have the authority to deal with the document and say, "Okay. I now sign on this document and say that the stop-work is release."

A. It may be better if I give you a sequence of events so that you can better understand.

A condition arises which in the opinion of Quality
Assurance Management warrants to cease and desist this operation
until we resolve the condition.

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A notification to construction is made. It is documented on a formal stop-work notice, number of control, the whole programatic requirement.

That document is hand carried over to the Construction Supervisor who had the responsibility of stopping the activity; either the Assistant Construction Manager, or the Construction Manager. He acknowledge the fact that he was being issued a stop-work order. And it was his responsibility to make certain that the Construction Supervision shut the activity down.

From that point it went into a resolution of the problem identified, the proposed corrective action would come in, be evaluated as to whether or not that activity would indeed solve the problem, correct the condition existing, to evaluation by quality engineering, myself. We would determine whether or not we considered the action adequate to solve the problem.

If it was determined to be adequate, and the signature on the project which was authorization to lift that stop-work or portions thereof was with the site QA Management.

MR. SINKIN: That concludes my recross, Your Honor.

MR. REIS: Mr. Chairman, just to give you an idea, I thin. I can conclude in about 15 minutes, unless the Board has more questions.

JUDGE BECHHOEFER: Are you finished?

MR. SINKIN: Yes, sir.

JUDGE BECHHOEFER: Let's take a short break before

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you start, but you wish Mr. Warnick to be able to return after today?

MR. AXELRAD: Yes. We very much would like to let

Mr. Warnick to be able to go back to Indiana, so if we could finish him this evening we would appreciate that.

JUDGE BECHHOEFER: We will take just a five-minute break.

(A short recess was taken.)

JUDGE BECHHOEFER: On the record.

MR. REIS: May I proceed?

JUDGE BECHHOEFER: Yes.

RECROSS-EXAMINATION

BY MR. REIS:

Q. Mr. Warnick, in Exhibit 46, Staff Exhibit 46, I call your attention again to Page 2.3. The statement is quoted:

"Don't give us any trouble. We'll throw you off the wall and you can pick your side."

Do you know how many people were with the construction man who made that statement?

A. No. I do not.

Q. Was there six or eight other construction men up there, and one --

A. I dont' --

Q. -- QC Inspector?

A. I don't know how many people were involved, or were

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present with the construction man at that tim	present	with	the	construction	man	at	that	time
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- Q. And you don't know whether this was a threat voice by one person on behalf of many?
- A. My understanding is that one individual made the statement.
 - Q. But you don't know whether he was part of a group?
 - A. No.
- Q. Now, looking at Allegations 9 and 10 which you testified to before, which are on pages 21 and 22 in Staff Exhibit 46, do you know whether at the time of those incidences the QC Inspectors had radios with them?
 - A. No, I don't.
- Q. Looking at Allegation 1A on page 26, did your investigation show whether A-5 worked on the dates in question where his initials appeared?
 - A. No, I don't believe so.
 - Q. He did not work on those dates?
- A. I don't believe my investigation verified that specific position.
- Q I see, so you investigated this but you didn't see, you didn't attempt or you didn't find out whether this gentleman worked on the dates that were inititalled there?
 - A. No, sir.
- Q 'mat were you looking for in your investigation if you didn't look at that?

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I believe that Mr. Singleton, that we discus. d at length what had transpired with this activity and the documentation was reviewed and verified as activity having been performed by qualified individuals and that the action that was taken by individual A-5 was the results of evaluation.

Mr. Singleton and Mr. Hope was involved in the documentation in that the activities had been completed by qualified certified individuals and he was asked to finalize a report.

- But you don't know whether it was falsely dated?
- A. Falsely dated, no, sir.
- You don't know that? 0.
- I don't know that. A.
- As is reported in this statement.
- No, sir. A.
- It says here, in addition review -- in going 0. down under investigative findings, about the tenth line, "In addition, review of Brown & Root Labor Control Sheet D5 verifies that A-5 did not work on the two dates so indicated by his initials."
 - For which he signed for those dates, that is correct. A.
 - 0. He did not work on those dates?
 - That is correct. A.
 - Thank you.

Why didn't somebody who verified it who worked on

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those dates sign it?

A. As I recall the overall review of the documentation, individuals had made notation of the fact that they had covered the activity and they had neglected to sign for those specific dates but there was documents that they had covered the activity. That's as I recall the sequence of events that occurred. And, on that basis, Mr. Hope had asked Mr. Hart to sign off when he came on board because these signatures were missing.

- Q. Why didn't Mr. Hope ask the people who actually inspected the work to sign it?
- A. They were not available on that specific day that he was trying to sign off the activity.
- Q. Going to Staff Exhibit 32 on page 12, there was talk before, this is the release of the stop work order which you did orally. Can you cite me to the number of the procedure that allows the verbal lifting of a stop work order? Is there one?
- A. There is no proce ___ for the verbal lifting of stop work orders, sir.
 - Q. Thank you.

Now, going to your testimony on page 27, I believe Judge Lamb asked you some questions about the final paragraph there.

You say the QC program was working as evidenced in part by the problems that have identified through the NCR's

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written in the course of carrying out the QC program.

In answering that question, did you factor into your answer the violations found in Investigative Report 79-19?

A. Those findings were addressed as concerns, but looking at the overall quality assurance program on the project, our assessment was, in our opinion or in my opinion, from my testimony, there is significant evidence that the program was working, based upon documented deficiencies and resolutions to those problems. Some of the areas identified in the 79-19 we had previously identified or addressed.

- Q. And you feel that your quality control/quality assurance program was properly working as, for instance, for welding and the control of welding activities?
 - A. Yes, sir.
- Q. Was your quality assurance/quality control program identifying defects in welds?
 - A. Yes, sir.
- Q. Was it allowing the passing of radiographs of welds that were fogged or otherwise unreadable?
- There were conditions identified that needed to be corrected which were documentd.
- Q. Were these documented before or after 79-19 was conducted?
- A. The specifics which were formally addressed in 79-19 may not have been formally documented at that point in

time,	but	we	had	already	ini	tiated	act:	ion	to	cut	down	on
weldi	ng o	pera	ation	s pendir	ng a	review	of	the	p:	rogra	am.	

- Q And you had initiated that action before you had a conference with the NRC in ecember of 1979 which identified the welding problem? That's your testimony?
- A. I cannot remember the specific date I signed the stop work order for the shut down of welding, both ASME and AWS.
- Q. Do you know the dates that you initiated 50.55(e)'s on welding?
- A. No, sir. Those are initiated by the licensing review board or ASME review board.
- Q Going to Allegation No. 6 on page 18. In November of 1979, how many inspectors were there in the civil discipline, approximately?
- A. I would have to identify approximately thirty-four to forty-two, somewhere in that range, as I recall it. I would have to go to the records to get the exact number.

MR. REIS: That's all I have.

JUDGE BECHHOEFER: The Board has no questions at this time.

Mr. Hudson?

(Counsel conferring.)

MR. HUDSON: I think we have one matter we would like to ask some questions about.

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FURTHER REDIRECT EXAMINATION

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BY MR. F	IIII SON

- Q. Mr. Warnick, you were asked on recross whether you discovered the identities of any persons who had ever phones in complaints to the NRC, and you answered that you had not; is that correct?
 - A. That's correct.
- Q. Are you aware that Mr. Singleton has phoned the NRC on occasions?
 - A. I believe that's in a part of his testimony.
- Q. Is it true that you were aware of that one incident and, if so, when did you become aware of it?
- A. In that specific incident, I became aware of it during the development of the testimony. I was not aware of any one prior to that specific incident, and I did not equate that as a response to the question.

MR. HUDSON: That's all.

MR. REIS: Mr. Chairman, that leads me to another question.

FURTHER RECROSS-EXAMINATION

21 BY MR. REIS:

- Q. Did Mr. Singleton tell you which incident?
- 23 A. No.

MR. REIS: No.

JUDGE BECHHOEFER: Mr. Jordan or Mr. Sinkin?

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MR. JORDAN: I would like to go home.

MR. BECHHOEFER: Anything further?

MR. SINKIN: Does that mean you have nothing

MR. JORDAN: Yes.

MR. SINKIN: Just one question.

FURTHER RECROSS-EXAMINATION

BY MR. SINKIN:

- Returning to that, 2-3, we're at Unit One --
- I have it.
- -- elevation 60 feet and talking about A-45's crew. I'm wondering if you have any feel for how many people you would expect to be on a crew in those circumstnaces.
 - One to one hundred.
 - Okay.
- It would depend on what activity was transpiring at that elevation at that time.

MR. SINKIN: Okay. That's all I have.

JUDGE BECHHOEFER: Mr. Warnick, I believe you're

excused. Have a nice trip back to Indiana.

We will be back at 9:00 o'clock tomorrow and will adjourn at this time.

> (Whereupon at 6:35 o'clock p.m., the hearing in the above referenced matter was adjourned, to reconvene at 9:00 o'clock, September 16, 1981.)

ALDERSON REPORTING COMPANY, INC.

This is to certify that the attached proceedings before the NUCLEAR REGULATORY COMMISSION

in the matter of: HOUSTON LIGHTING & POWER COMPANY SOUTH TEXAS NUCLEAR PROJECT UNITS 1&2

DATE of proceedings. September 15, 1981

DOCKET Number: 50-498 OL; 50-499 OL

PLACE of proceedings: Houston, Taxas

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

Lagailda Barnes Official Reporter (Typed)

Sagailla Barnes
Official Reporter (Signature)

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