

UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

A-2

October 28, 1981

MEMORANDUM FOR: Victor Stello, Jr., Director
Office of Inspection and Enforcement

FROM: James G. Keppler, Director
Region III

SUBJECT: ZIMMER COMMISSION MEETING - OCTOBER 27, 1981

At yesterday's Commission meeting, Commissioner Ahearne questioned why the Region III investigation of the Zimmer allegations did not include taking a signed statement from Mr. Gittings, former Kaiser QA Manager. We were unable to answer the question at the meeting and we indicated we would get back to Commissioner Ahearne with an answer on this matter. Pertinent information obtained from our Investigator, Mr. McCarten, is provided below:

1. From the beginning of the investigation there was a fairly close working relationship between Region III and OIA because of the alleged falsification of records. In IE's investigation, the decision not to interview senior Kaiser and licensee personnel who may have been connected with these records, let alone obtain signed statements from them, was based on instructions received from OIA (Messrs Puglia and Gamble). This decision applied to Messrs Marshall, Oltz, and Schwiers---as well as Mr. Gittings.
2. Following discussions with the U. S. Attorney who was interested in the case, OIA representatives (Sinclair and Puglia), in the conduct of their investigation of potential criminal issues, interviewed Messrs Oltz and Gittings in June and July 1981. Mr. McCarten participated in the interviews. The interview with Mr. Oltz was taped; however, the interview with Mr. Gittings was not taped (a decision made by OIA).
3. As far as we know, OIA interviews with Messrs Marshall and Schwiers have not yet been conducted.

James G. Keppler
James G. Keppler, Director
Region III

8208190058 820623
PDR FOIA
DEVINE82-206 PDR

enclosure 5