

U. S. Nuclear Regulatory Commission

Interview of Floyd Oltz, Documentation Supervisor  
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*Been released?*

McCarten: I would just like to reiterate this: you have no objection to us taping the interview at all?

Oltz: No, I've got no objection.

McCarten: OK, go ahead, Al.

Puglia: Let's start by just getting a little personal information, Floyd. What is your name, Floyd?

Oltz: Floyd Oltz, O-L-T-Z.

Puglia: What is your position here with Kaiser?

Oltz: It has been Documentation Supervisor; there has been a couple of . . . different titles to it, but it adds up to. . . at one time it was Analysis Procedure Supervisor and at another time it was Documentation Supervisor. It all. . . it all adds up to the same thing.

Puglia: How long have you been in that position?

Oltz: Since May of 1976.

Puglia: We have examined some records Floyd and as a first example I am going to give you an NR No. 1777. Do you want to take a look at it?

Puglia: Specifically we are going to talk about heat numbers. This package came in, I guess for a heat number. The NR is generated here; here is the NR.

Puglia: Specifically, Floyd, you have made the notation on here, "rod slips are located" and voided the NR.

Oltz: Well, I didn't but one of the...worked for me did. In this case, I didn't make a notation, but. . .

Puglia: This is not your writing?

Oltz: No, that Sue's initials.

McCarten: Sue Gottsing.

Oltz: Yes.

Puglia: Specifically, if you look...if you turn to the K-2, it is indicated the rod slips were located. We had trouble understanding how that NR could be closed out based on those rod slips.

Oltz: Yeah, but this only means, this not having a date, only means that it was inspected at that time; it don't mean that it was actually welded at that time. And if you follow through here, now this is only...this is going back quite some time, so I am doing a quickie-put together thing, but the way just looking at it, the way I would put it together is what probably happened: Weld A1, 3 and 4 are all

documented, 1, 3, and 4. One is documented earlier and 3 and 4 documented 6/30/78; which would mean that this weld was, A2 being, was probably made at the same time that A3 and A4 was made and inspected at some later date. Because he went out and said, when he wrote the NR, he was saying that he didn't have a rod slip so this tells me that he wasn't inspecting it at the time that the weld was made, and if you look at these rod slips. . .

Puglia: It said specifically in here...

McCarten: Isn't Terry a weld inspector?

Oltz: Used to be, he is no longer here.

McCarten: Yes, he is no longer here, but he used to be a welding inspector?

Oltz: Right.

Puglia: A2.

Oltz: Right.

Puglia: So we are saying that A2 does not have documentation.

Oltz: But he went out to inspect the weld and he didn't have...no rod slips were found; he needs the rod slips to stamp off these...to where he indicated the NR over here, he needs the rod slip information, the welder information, and that to for those blocks so that is why he wrote the NR.

Puglia: Okay?

Oltz: Then, but, and then saying the NR was voided, I would say that was based on...if you look here, A3, A4 as an example. There is an "N/A." There is RI-195, there is RI-195, no specific weld number is called out. Only that that applies to this ISK. And this was the practice for some period of time for work that was done in the "Fab shop." They didn't...they indicated the ISK that was being worked on, but not specific welds, and so that would tell me that when they say a rod slip located, that it could be this one being dated 3/7, this one being dated 3/6, this one being dated 3/3, and it could be any one of these three that was located, and that was said with the idea that this work was done at that time...

Puglia: How can you void this NR for weld A2 based on this paperwork?

McCarten: Do any of those rod slips indicate that weld A2, was welded on any date, on that piece?

Oltz: There is no weld numbers on any of them.

Schapker: Yes there is.

McCarten: There is weld numbers on the other two.

Oltz: Well, here is C2.

McCarten: Here is C2 and there is none there...

Oltz: There is none here, and none here and there is none here.

McCarten: Well, that is our question; how can you say a rod slip was found for that weld?

Schapker: C1 and C2.

McCarten: C1. How can you say a rod slip was found? The girl who voided that is a clerk; did she do that at your direction? She didn't research these rod slips; who did?

Oltz: I would say that they probably, through the Welding Department down there, they made a rod slip search. This one had identified the hanger, so it wouldn't be that one, but it could be could be this one. This one being...

McCarten: "Could be," Now, that is the point!

Oltz: Then it could have been. . .there is no indication of any one of these that. . .

McCarten: Any could be, but is there any rod slip that indicates that there is a rod slip for weld A3?

Schapker: A2.

McCarten: A2...in that package that you are looking at now?

Oltz: None that specifically say A2, no.

McCarten: Okay, then how can they say "rod slip located," when there is no rod slip located for weld A2.

Oltz: I am only making a guess to say that one of these is...showed up and it was taken to mean that this was done in the fab shop, and where they didn't specify weld numbers. .

Puglia: Floyd, Floyd. You've been here for five years. Now ou've handled NR's... Is that your understanding? Is that the standard that you work from as far as closing an NR or voided an NR?

Oltz: I would say at this point in time right now, it looks like awful flimsy and I am only making a guess on how it was closed out, how it was voided, but that is a guess as to how it came about. Not as to that being a standard practice or anything that way.

Puglia: Also indicate that two of the attached weld slips are xeroxed copies. We obtained the originals of those from Mr. Puckett is...and the xerox copies are not identical with the original.

McCarten: Whose writing is this right there on that rod slip identifying 195?  
Is that your handwriting, printing?

Oltz: No.

McCarten: Whose is that? It also appears on the KE1. See, that's the same writing. Who made those entries? Who researched this NR, and would make an entry on the ISO? Is that your entry?

Oltz: No.

McCarten: Do you know whose it is?

Oltz: Not by looking at it, no. I don't recognize the handwriting.

McCarten: There is no initials with the change.

Oltz: No.

Puglia: This kind of thing of going back and getting the white copy of the weld slip. Certainly you and I both know that if you are going to do that the least you could do is xerox the same copy and put it in.

Oltz: Right.

Puglia: As you can see, not only are we going to get xerox copies, but the xerox copies are not identical to the original. 194 is crossed out, 194, quantities have been placed in amount of weld drawing. Notations are made in the upper right hand corner indicating welds 195 A3 and A4.

Oltz: It appears to me that this copy was made from a different copy than the white one.

Puglia: So, in effect, what you are saying is that this is not valid documentation that is in the files? Is that correct?

Oltz: No, as far as validity, I don't know.

Puglia: You just indicated that they are not the same.

Oltz: Well, what I am getting at is that...This copy was made from some other copy of the, of the rod slip other than the white one. And the reason I say it, is that this has got quantity returned on it, which is standard on the white one and would be put on there on the day that this weld, uh this rod was drawn out. And this is filled out in the evening when the welder returns his (caddy?).

McCarten: Isn't this rod slip uniquely serialized?

Oltz: Yeah.

McCarten: 139801 ?

Oltz: Right.

McCarten: But this copy does not have the same entries as this copy. Who changed it?

Oltz: I have no idea.

Puglia: The person resolving the NR?

Oltz: I have no idea.

McCarten: Who resolved the NR? If you're saying Sue Gottsing did, she's a clerk that works under you.

Oltz: Yeah, but I would say someone besides her done the research on these rod slips, and that she didn't.

McCarten: Who does the research on the rod slips? Arch Lanham or yourself or who?

Oltz: One of them that has done a lot of rod slips research for us is Mary.

McCarten: Mary Carr. Is that her handwriting on that document? You know these documents backwards and forwards.

Oltz: No, I don't...I wouldn't say that it is her handwriting; I don't know if it is or not.

Puglia: Let's get back to the original point. We still have weld A2, we don't know if weld A2 is ever even completed.

Oltz: Yeah, we've got documentation in here; where he's...the inspector stamped it off to show it's completed. What we don't have is a rod slip that specifically shows, what... that can be uniquely identified to A2.

Puglia: In addition, assuming this was a good weld slip, why was the NR voided? Wouldn't the disposition be...wouldn't this NR be dispositioned, rather than voided? All the QA inspector's saying is he needs a rod slip for A2. If you find a slip for A2, wouldn't this be dispositioned with "document found" rather than voided?

Oltz: At the time and as long as I have been here, it has been company practice and you'll find it now in our QA manual as one reason for voiding an NR that says that work is accomplished before the NR was put through the disposition cycle. And so to take this NR and give it a "rev. one" for a new disposition, because this is disposition "cut it out," so to take the NR and give it a new disposition that would say "find the rod slip," would be running it back through the cycle, and uh....

McCarten: It should have been reworked, shouldn't it?

Oltz: Well, according to the NR the way it is dispositioned, it should have been cut out.

McCarten: The weld should have been cut out and reworked.

Oltz: Right.

McCarten: Now, when Sue Gottsing voided this NR; who would tell Sue to void it? You?

Oltz: Probably I did. I don't remember that far back, each individual NR.

Puglia: I know you don't.

Oltz: But probably I did based on...

McCarten: Sue Gottsing didn't void that.

Oltz: Was based on some, at the time, some piece of information that. . .

McCarten: Was it your job to review these NRs prior to voiding it?

Oltz: Sure.

McCarten: And to make sure they were properly, when you did void them, you had to do something to tell Sue "rod slip was located." Did you search this package for the rod slip?

Oltz: ...and at the time, I would say that it was based on company policy that...I said like the ones that were found in the Rod Shack...

McCarten: Fab shop.

Oltz: Fab shop.

McCarten: Right.

Oltz: didn't uniquely identify weld numbers. So based on...

McCarten: Okay, you are saying that hangers, and correct me if I am wrong, hangers fabricated in the Fab shop, all the hangers at the time this NR was written, did not require. . .

Oltz: No, this is not a hanger weld.

McCarten: What is it?

Oltz: This is a pipe to fitting weld.

Puglia: A pipe to fitting weld. You are saying that those welds that were fabricated in the Fab shop did not require traceability at this time? It was company policy?

Oltz: They had traceability by saying this, not this one because it was identified to the hanger, but a rod slip like this identifies this welder done use this rod to weld on this ISK which gives it traceability for this...

McCarten: So you are saying a dozen rod slips equals a dozen welds on the ISK and that is Ok?...without identifying the individual weld on the ISK...on the rod slip? Is that what you are saying?

Oltz: This is what took place at that period of time.

McCarten: That is what happened?

Oltz: It don't happen that way now.

McCarten: Yeh, I know that, but if you have a packet of twelve rod slips and all they say is R1195 and you have twelve rod slips and there is twelve welds in that system, it's okay.

Oltz: That was the practice at that time.

McCarten: That was the practice. How long did this practice occur? How many years?

Oltz: I'd have to look at paperwork; I don't know.

McCarten: Guess. Give me a time frame by month and year that you are aware of.

Oltz: It was going on...as far as I know, it was going on before I came here.

McCarten: When did you come on site?

Oltz: In July of 1975.

McCarten: July of 1975, and when did it stop?

Oltz: I think around the time when we had our code survey.

McCarten: Code survey, which was when? What month and year?

Oltz: May...April or May of 1979.

McCarten: April or May of 1979. Okay. Any questions, Al?

Puglia: One very pointed question. This kind of thing. . .

Oltz: I am not saying that this happens 100 percent and every rod er rod slip was that way during that period of time. But it depends upon...

Schapker: We can say that because some of these are...



Oltz: It depends upon the welder that made them out, as to whether he put down weld numbers or not.

McCarten: But QA did not check that to make sure every number on every weld matched what was on the rod slip?

Oltz: No.

McCarten: The QA inspectors did not check that?

Oltz: No.

McCarten: This is NR, No. 1777 we are looking at.

Puglia: This kind of thing where you need a rod slip...Is it common practice to go over to Puckett and get a weld slip?

Oltz: The inspector, when inspecting this package, fixed up the yellow copies. And like in the case where here where they don't have rod slips to identify... that is identified to the welds, the Welding Department, over there with Puckett, has another file. The rod slip, when it is made out, is in several copies of different colors. And that...getting back to this one being made from a copy other than that original, there is a blue copy, there is a pink copy, there is a yellow copy and a lighter yellow copy than this; and that so this one could have been made from any one of those copies that was around at that time. But Puckett in Welding has the most complete file other than what is picked up by QA. So, if we are missing one, yes it is the practice to go over there through his file and see if one that didn't, you know for well any reason, didn't end up in the package for that weld, if there is another copy available somewhere.

Puglia: Floyd, are there any blanks that are signed that you need a weld slip that they are being filled in?

Oltz: No, that has been followed up and has been searched and pretty thoroughly investigated, and I would say, no, it's not happened.

Puglia: Have you ever got a weld slip that had gone through that procedure?

Oltz: I have that in the back of my mind and when I get a rod slip but that. . .

Puglia: You are not answering my question; have you done it?

Oltz: Have I ever gotten one?

Puglia: Yes.

Oltz: No, but I have looked for one.

McCarten: Next one. This is...

Puglia: Before we start, you say it was company policy to do this. Who promulgated this policy?

Oltz: This would come out of management.

Puglia: Who in management? Anything in writing?

Oltz: When I say management it's who was here at the time because we've changed. When I first came here Bill Frederick was the manager, and after that it was Bob Turner and after that it was Baumgartner and Know filled in part-time and that so when I say management, it's whoever happened to be in that position at the time.

McCarten: The next one we have we are looking at, Floyd, is nonconformance report numbers with just control numbers assigned and here is the [unintelligible] for 4955, 56, 57, and 58 written by Inspector Joe Mills. Here is the log book page, to cover the fact that there is an entry in there "void" "NR not issued." Okay? See that?

Oltz: Yes.

McCarten: For those NR's...and it says see Corrective Action Report No. 8. What are these NRs talking about? Would you look at these four NRs and tell us what deficiencies, they are identifying? Just the four we are looking at. What type of...

Oltz: Well, they all deal with DG hangers and deficiencies on the welding...related to hangers.

McCarten: It says in the log here it says "void" and says see corrective action report No. 8.

Oltz: Right.

McCarten: Is that the reason it is being voided?

Oltz: That is the reason that 4954 was voided. That would have nothing to do with the rest of them?

McCarten: Or, not necessary 55, 56, and 57? Here is corrective action report no. 8. What does that address?

Oltz: Laminations in a beam on structural steel.

McCarten: In what room? Can't tell?

Oltz: From this I can't tell, no.

McCarten: Does this deal with anything in the diesel generator room?...Welding deficiencies?

Oltz: I don't think the two even tie together.

McCarten: Okay, then how can it be voided according to corrective action report no. 8?

Oltz: Where is NR 4954? I don't have that...I don't have 4954 in here.

McCarten: What have we got, 55?

Oltz: Yeah.

McCarten: They are all written by Mills.

Oltz: No, 4954 was a different initial; that wasn't written by Mills.

McCarten: Jim Rviz. It was written by Jim Riz.

Oltz: So, this is a totally different NR and has nothing to do with these others that was written by Mills and this CAR No. 8 would have nothing to do with them.

[Interruption and break off the record]

McCarten: What does 4954 deal with?

Oltz: Structural steel.

McCarten: Does the corrective action report deal with that? Bypassing hold points?

Oltz: It deals with, yes, because the corrective action says during this repair to MT if the [unintelligible] areas is not performed, which would be a hold point.

McCarten: Here is a log book that says 4944 to see corrective action report no. 8.

Oltz: Right, now there was two, if I remember right, there was two NRs that dealt with the same thing...

McCarten: They had voided them both per Corrective Action Report?

Oltz: And per and the instructions from the manager, that they are tied together, and they are the same item, reference them both to that CAR and void them.

McCarten: Okay. Here is 4954. It says "see corrective action report No. 8." Why was Mills' NRs 4954-59 voided? They are not even voided; they're just returned to him on his desk. See these are all the copies. Are these all the copies to the NR? The gold, green, pink, and white? They are all returned to him. Can you tell me why they were returned to him, without a void stamp on them, and why they are not in the system?

Oltz: I would say this entry was put in here when I gave the NR clerk instructions that...if we have a control number given out, and the

NR doesn't get into us over several days time,...that is the reason for putting the person's initials down so we can contact that person and say...

McCarten: Who is "DG"?...at the end there?

Oltz: That only means diesel generator.

McCarten: Diesel generator. So you're saying...Who's handwriting does that belong?

Oltz: I would say it is probably Cathy.

McCarten: Why weren't these entered in the system?

Oltz: I have no idea.

McCarten: They are identified defects.

Oltz: I have no idea.

McCarten: Why did they end up on the inspector's desk?

Oltz: I have no idea.

McCarten: Okay.

Puglia: Did Mr. Gittings return these?

Oltz: I haven't...I couldn't say. I filled. . .

McCarten: But you did not?

Oltz: No, and I told the NR clerk that we get the initials of the person that wrote it, so that if after several days the NR doesn't come in, we can go back and check on it and see. And so I would say she made a phone call out to the inspector and was told those NRs are not being issued and that is when she put the entry in the log and that they were...

McCarten: She just said "not issued?"

Oltz: ...just not issued to show that we are not still looking for an NR, so we have accounted for that control number and not looking for one that may have gotten lost in the review cycle or something that way.

Schapker: You say she probably called the inspector about it?

Oltz: Yeah.

Schapker: And he would have said...?

Oltz: Says they're not being issued...or for whatever reason. What the reason is and in this case, I have no idea how they got back to the inspector or why or anything that way; I have no idea.

[Unintelligible]

McCarten: This identifies bypassing a hold point in 4954 and this CAR deals with bypassing a hold point. That was the disposition. What is the proper disposition for bypassing a hold point? Why didn't it go through the Material Review Board? Why was it voided? Is there anywhere in your procedure that says you can void it because it is put on a corrective action report on NR Control No. 4954?

Oltz: That was done on...direction of management

Gamble: Who in management?

Oltz: At the time I believe it would have been either Bumgartner or Gittings.

McCarten: The correction action report is addressed to Marshall. It is signed by Gittings, so it would have been Gittings?

Oltz: Okay. Knox is the one that's approved it.

McCarten: He approved the CAR, so it's Knox?

Oltz: Yes, it is Knox who would have given the instructions to change this item from an NR to a CAR.

McCarten: Is there anywhere in your procedures that say you can disposition an NR on a corrective action report? In the Kaiser nonconformance procedure that was in effect at the time, is there anywhere that said you could disposition an NR with a disposition of see "corrective action report?"

Oltz: In the procedure it says that. . .

McCarten: I have read the procedure.

Oltz: The violations of the...procedural violations will be handled on a CAR.

McCarten: It says you can either accept, rework...

Oltz: No, dispositions, yes.

McCarten: It says you can void it only if it is written in error. Isn't that true?

Oltz: That is one of the reasons.

McCarten: Is this written in error?

[End of tape]

Gamble: You could void it if it is written in error or if it's a duplicate.

McCarten: Is this a duplicate or written in error?

Oltz: From one standpoint you could say it is written in error because it is a it is a procedural violation and so the procedure is to be...procedure violations would be handled on a CAR and this, I am sure, is the line of thinking that management used when they set to transfer that from an NR over to a CAR.

McCarten: You said it is a procedural violation?

Oltz: Missing a hold point.

McCarten: Is a procedural violation.

Oltz: ...is a procedural violation.

Schapker: And there is no requirement for them to go back and reinspect that they missed their hold point? Or to do any corrective action for missing a hold point?

Oltz: That depends upon the circumstances.

Schapker: What is the term "hold point" mean in your procedures?

Oltz: That is an inspection point.

Schapker: I mean, what does it mean as far as the inspection point? Does that mean that you can bypass it?

Oltz: No.

Schapker: ...and still...

Oltz: No, that's why there was...that's why the fact was documented, that it did get bypassed and that it was...and then after it was a documented on an NR. . .

Schapker: On a deficiency it says here...

McCarten: It is a hardware problem, identified on the NR.

Schapker: 3/8 inch [unintelligible] plate to beam No. 17 was tacked and loaded to the final stage and bypassing the first three QA hole points. And what is the corrective action? How is that corrected? According to the nonconformance report, it was voided and put on a corrective action request.

Oltz: A corrective action request to get the superintendent to get to his people so you don't go any more hold points, or don't bypass a hold point.

McCarten: How can you pass a weld without QA coverage?

Oltz: That's the idea of the CAR.

Schapker: But what did they...What was done to correct the deficiency itself?

McCarten: The hardware.

Schapker: The hardware, where the QA hold point was bypassed?

Gamble: The CAR talks about the future actions to prevent it from recurring, but what about this particular weld.

McCarten: Was this weld cut out and reworked?

Oltz: Right at the moment I don't know.

McCarten: I know it wasn't, because the NR is voided.

Oltz: Well, it may have been done on some other as a result of some other documentation.

McCarten: There is no indication of that on any of these documents.

Oltz: Well, that's why I say right now that I couldn't say because there is nothing here to indicate that.

McCarten: You are saying that it is a procedural violation. That is not a procedural violation; that is a hardware violation; you bypassed a hold point; you did not verify the fitup, you did not verify the heat number on the KE-2 to the KE-1 form. How can that not be a hardware...? How can that be a procedural violation when he is dealing with hardware?

Schapker: It can be a procedural violation, but it still involves hardware and we are concerned about the hardware. We have no records, according to this, you have no record to show who the welder was, because the inspector obviously did not verify it, because it says right on the nonconformance report that it was bypassed, that this hold point was bypassed.

McCarten: Your procedure says that you will not write an NR for a procedural violation?

Oltz: That's right.

McCarten: That's what your procedure says?

Puglia: Floyd, this indicates that you voided the NR?

Oltz: Right.

Puglia: Not this one in particular, but are you authorized to void NRs, or should that be an engineering task?

Oltz: Well, I have a...Let's say I inherited the job of controlling, which includes voiding, NRs at the time that I come into this position back in 1976. And at one time the question was raised am I an engineer? And my manager, being Bumgartner at the time, and said yes. I am classified as an engineer and this was...these NRs were voided with their, you might say, knowledge and approval.

Puglia: Is that in writing anywhere?

Oltz: That I was an engineer?

Puglia: That you are authorized to void NRs?

Oltz: The procedure didn't specify up until one of the last revisions and it was changed about the time this...and then it was stated in there that it should be the QC manager. But prior to that, it didn't specify.

Puglia: So you have been authorized to void NRs?

Oltz: Right.

Puglia: You were given that authority by Mr. Bumgartner to void NRs?

Oltz: I was given the authority by Mr. Frederick when I first come into this position, and that has carried through to subsequent managers.

Puglia: You take it upon yourself to void NRs?

Oltz: I haven't voided any NR that I haven't discussed with other parties. And we were in agreement that yes, the NR can be voided.

Puglia: Who are those other parties?

Oltz: Well, that depends on the NR and it might be the inspector; it might be the field engineer; it might be a QE, it might be a...QA manager, depending on the...you know each situation is different.

Gamble: But you don't have to go to the QA manager in order to void it. You can void it on your own based on discussions with lower level people?

Oltz: Up until the time the procedure was changed.

Gamble: Understood. But you don't have to go to your supervisors in order to void it?

Oltz: No.

Schapker: Did you maintain any documentation as to the discussions with other people?

[Interruption, no break in tape]

Oltz: What was the question?



Schapker: In your discussions with these other people, you didn't document anywhere or attach anything to any of the NRs saying that you discussed this with them and they agreed, or any engineers or anything like that, to that extent when you did void these? Or just verbal?

Oltz: Being a Monday morning quarterback and using hindsight, I can see what you are saying, it would have been a real good idea and should have been done. But no, it was not. It would have made, it would have explained things a lot better in that if...and...like, maybe not so much on this one, but some of the other ones, if there was more of an explanation put on there, then it would have...they would be alot easier to track now.

McCarten: This is one in particular in which we are interested it. We will give you a few minutes to read it, it is NR 2836, which we know there was alot of discussion about and we will give you a minute or so here to read the deficiency. This is for a missing radiograph for a weld.

Schapker: Now that one apparently was voided twice and then closed out.

McCarten: It was voided twice, period.

Schapker: There's a "closed" stamp on it.

McCarten: And was closed and then voided and then voided again. By you, the second voiding.

Oltz: No.

Schapker: There is a Rev. 1 on the next page.

McCarten: Flip to Rev. 1 and see. We will given you a minute to read just what it says.

Oltz: The NR was written and...signed by...Okay the NR was written and...but...instead of the ANI approving it, the ANI rejected the disposition. And at that time the NR was voided and said see Rev. 1 for new disposition.

Schapker: Okay.

Oltz: The Rev. 1 was written and due to whatever circumstances, the ANI came back and had says he had changed his position: he would accept the disposition, so that is when the . . .

Schapker: Can you tell us what the disposition is there?

McCarten: Look at the Rev 1, what does the Rev. 1 say?

Oltz: The disposition says that the weld had been radiographed, and after the time...that some time after that, the film package had gotten lost.

Schapker: Okay. Rev. 1 is voided and says "written in error. NR resolved on the original issue." And that's your signature. Right?

Oltz: Yes.

Schapker: Dated 11/11/80.

Oltz: Yeah.

Schapker: Okay, we will go back here and. . .

Oltz: And that is when you come back here and it says this is when it was signed by the ANL and dated 11/11/80, saying that he had changed his position and would accept this disposition, and so then this Rev. 1...there was no need to process this for a different disposition and so it was closed out on this NR and the "closed" stamp was placed on it 11/13, which is two days later.

Schapker: Okay. Let me read you the discrepancy. It says that "during an NES audit, weld WS737 was found not to have a radiograph taken of the final weld. The only film available is the information shot of the root later. Subject weld is buried underground." Okay, and on the...do you know if there is a final radiograph of this well that exists?...That's a duplicate of the one before.

Oltz: By looking at this reader sheet, I would say this is a copy of the reader sheet that goes with the final radiograph.

Schapker: Couldn't be the one for the preliminary one or the root layer? The reading sheet for the root layer?

Oltz: I can't right this minute...I can't say definite, but the practice was, or as far as I know, if it is a root shot, it is identified as a root shot and only for one reason...and the other reason, the ANI only reviews a final and wouldn't review an information shot on the root. So, this would...for those two things, it would kind of indicate to me that this is for a final, although it is not positively identified as such on here.

Schapker: But do you know if there exists any radiographs for a final weld? Has anybody told you that there are radiographs that exist for that final weld?

Oltz: Nothing other than what it says on that nonconformance.

Schapker: Okay, in other words, you base your voiding of this NR entirely on what. . .

Oltz: That NR is not voided.

McCarten: The second one is.

Schapker: The Rev. 1 is voided.

Oltz: Rev. 1 is voided saying that the problem was resolved on the original NR, that there was no need to write the Rev. 1 and the problem and discrepancy was resolved on the original NR and film or lack thereof was dispositioned on the nonconformance and accepted by the Material Review Board.

McCarten: Wait a minute.

Schapker: But, there are no signatures from the Material Review Board on here.

Oltz: There should be another copy of that NR that does have the Material Review Board's signatures.

McCarten: No way, it did not go before the Material Review Board. That's the exact copies we got out of your file. Because it was voided, it didn't go to a Material Review Board, you know that.

Oltz: The ANI is the last one to sign it.

McCarten: Not in this case.

Oltz: The A&I signs. . .[unintelligible]

McCarten: Not in this case, the A&I would show that film, wouldn't it?

Oltz: The ANI is the last one to sign on [unintelligible] the Material Review Board. And, we got into a contest about this on another NR.

Schapker: Well, where are the other signatures on this.

Oltz: They would be on another copy of that NR. It should be with that package.

Schapker: Okay, we should request that you locate that.

Gamble: Even if there were another copy, why would the ANI sign on this copy? Why wouldn't he sign on that other copy that had the signatures.

Oltz: Well, we have had that problem all along. The NR is telexed to S&L in Chicago, and it comes back from...with their signature on...on a telex signature...a telex copy comes back from Chicago with a telex signature.

McCarten: We are going to pull the original.

Oltz: The original is then put with this telex copy and so now this gives you two copies and as it goes through the signature mill sometimes they will sign one copy, sometimes they will sign the other and at some later date we get in the mail a copy with an original signature on it from S&M.

McCarten: Let's get your copy of the 2836 and see if it has been reviewed by the Material Review Board. Can you go and get this for us out there?

Oltz: I think it would be better to look at in the impounded copy.

McCarten: You mean our copy? You see that's...Okay. Let's go get it.

Oltz: The problem is it was made from the one we got, and the copy we got and a sheet. may have been missed in running these copies.

Schapker: Did you find it?

McCarten: No.

Oltz: I think it was considered as a closed NR and that is why it is not included in the bunch that was impounded as voided NR's.

Schapker: Okay, Floyd, let me ask you this. Who told you that this nonconformance report could be voided? Who instructed you to void it?

Oltz: I did that one myself.

Schapker: Okay, on the basis of what information?

Oltz: On the basis that the ANI had changed his stand in saying that he would...he was no longer can rejecting the disposition, and that he would accept the disposition on that so...

Schapker: Did you verify this with any of your people?

Oltz: Only in talking with the ANI that he would accept the disposition on that NR, so it was a case of...this NR had just been written, and had not been gotten into the disposition mill and the signature mill on that so it was. . .

McCarten: Should an "accept as is" disposition be reviewed by the Material Review Board?

Oltz: Yes.

McCarten: This NR should have then been reviewed by the Material Review Board?

Oltz: And was.

McCarten: And you are saying it was?

Oltz: Yes.

McCarten: And that when we look at the original NR we will find the signatures on it of the Material Review Board reviewing it.

Oltz: Right. I am sure you will find signatures on another copy.

Schapker: I've got one more question. Did you...the original inspector that wrote this up said that this radiograph...The NEs audit said this WS737 could not be found - the final radiograph. Did they find the radiograph?

Oltz: From the disposition on there I would say no. They found a...

Schapker: So, how could you void the NR if the discrepancy was not corrected?

Oltz: The NR was dispositioned by the engineer saying, by going back through Peabody's records, who was the radiograph contractor, by going back through his records, found a copy of the reader sheet, which had...which this copy was made from. And, saying that this was evidence that that weld had been radiographed and accepted by these people, and the Material Review Board accepted that disposition.

Schapker: Okay. Now, I'd like to point this out to you. On the disposition it says: "the KE1 form for Weld WS737 shows that the final weld was radiographed and accepted by Kaiser NDE Level III on 4/5/76." That is the KE1 form. The KE1 form also shows that film was reviewed and accepted by site ANI, that is the Authorized Nuclear Inspector, for...on 4/15/76. A copy of radiograph report showing acceptance by Peabody Magnaflux is also on file with the KE-1. Okay, if you look at this KE-1 form, right here. Now, if you will note the Authorized Inspector did sign on 4/15/76. Kaiser signed it off in 3/31/76. Now, I reviewed the film that is in your documentation control, the film that is available. The film that is available is not the final weld.

Oltz: No, that is what the NR says.

Schapker: Okay, also, in reviewing that film, I compared the dates on the film to the dates on this report...radiograph report which is referenced in the disposition. The date of the preliminary radiograph was on 3/31/76, on the film. That means that this reader sheet is for that film. In addition, this reader sheet does not indicate any size penerometer was used which is in fact what is on the film. These are not code radiographs; these are preliminary radiographs used for information only, just as stated. And this reader sheet is in this very same reader sheet with the authorized inspector's date that is with that film, which are preliminary film. The dates match and everything. So what would that say to you? Do you think this is dispositioned correctly?

Oltz: No, based on what you just told me, no. But, the party that dispositioned it and I have no control over the party that dispositioned it, or the Material Review Board.

McCarten: You told us that you dispositioned this.

Oltz: No.

McCarten: You said you voided it.

Oltz: I voided the Rev. 1 based on the disposition being accepted by the review board.

McCarten: Was there any discussion between you and Arch Lanham that this weld did not have a radiograph; it would have to be dug out. Did Lanham ever talk to you about that?

Oltz: Oh, I am sure there was many. . .

McCarten: Did he say Bob Marshall would never let you dig it out?

Oltz: I don't recall anything like that, but I am sure there was much discussion on this one, and same as any other NR.

McCarten: What was the discussion? Do you remember any of the discussions on this one?

Oltz: Not specifically, no.

McCarten: Okay, anything else?

Gamble: Why are you sure there would be much discussion on that one?

Oltz: That was brought about as a result of an audit, so there would have been discussion in answering the audit and things that way, it would have made more of a discussion on that than an NR just written out in the field for some deficiency.

Gamble: There would be a group of people getting together to discussing the audit findings?

Oltz: Yes, to make a reply to the audit.

Gamble: What kind of people would be involved replying to the audit besides yourself? Who else would be involved?

Oltz: I wasn't directly involved in answering audits, it would be the Weld Engineer who wrote the NR is probably one who would be involved in the audit.

Gamble: Does Mr. Lanham?

Oltz: No.

McCarten: Rex Baker.

Schapker: Did you ever consult Rex Baker in regard to this nonconformance report?

Oltz: I think if you will find that there is probably a Rex Baker signature right here saying that he agreed with the disposition. When you find the other copy with the signatures...

Schapker: Okay, we have not yet seen that copy. This is all we have.

McCarten: We have a question here on this one. NR No. 2237. You have got a weld rod slip for GPWR218. Does this identify the weld on the slips here? Weld No. 218. Here is the NR. It doesn't say GP, does it, it just says 218.

Schapker: What was done here to resolve or void this NR. Tell us in your own words what you have done to resolve it.

Oltz: This NR was written by the Inspector in the field saying he didn't have a...rod slip.

McCarten: He had more than no rod slip. He had no proof of a rod slip, welder's qualification, or filler material, material for weld 218GP. Right?

Oltz: Yes. This information is all on the rod slip. A subsequent rod slip search come up with this rod slip which is for GPWR218.

McCarten: How come he calls it 218GP?

Oltz: This is only...different people write it different ways.

McCarten: Same system?

Schapker: Okay, so what you are saying is he took this rod slip, correct, and reconstructed a KE1 form from that slip, is that true?

Oltz: I am saying this rod slip identified as GPWR218 for that weld was located and that provided the information that it says here, "rod slip found," which gives the information for this weld.

Schapker: Is this the original KE1 form that was issued at time of the weld was made?

Oltz: There is normally a hard copy, weld paper, issued.

Schapker: Is this a copy of that, the hard copy?

Oltz: This would be a copy from the flimsy that we have in our book.

Schapker: But is this the one that was actually filled out in the field?

Oltz: I would say so, yes.

McCarten: How could it be filled out in the field. . .

Schapker: No, I mean at the time of the welding, when the weld was performed, as they specify right here, at the time the weld was performed?

Oltz: At the time and at the time the weld was performed, I would say there was not a weld paper filled out.

McCarten: Who made these entries on this slip?

Schapker: Why? Why wasn't there a weld paper filled out?

Oltz: Well, for two reasons. Probably if the inspector had been there at the time the weld was made, he'd have had the rod slip, and he would have also had the original KE-1, yes, and the rod slip. And so the copy of the rod slip that the inspector, when he went out to inspect it, the copy of the rod slip that he was looking for was attached to the original KE1 which was lost.

McCarten: Okay, so you have got lost documentation and rework was ordered, by, who is this fellow here?

McCarten: Marty Feltner?

Oltz: Marty was the construction engineer, piping engineer at the time.

McCarten: Construction told you, "rework it." You show up with a rod slip and you say it is "void." The inspector said there is no KE1 form.

Oltz: No, he don't say there is no KE1 form.

Schapker: He says there are "no rod slips, no traceability of welder's ID, qualifications, filler material or heat numbers."

Oltz: Right.

McCarten: Or welder qualification.

Oltz: When you get to the rod slip...

McCarten: There is no verification that this qualified welder did that weld.

Oltz: When you get to this rod slip it shows that this welder drew the rod out to do that weld, and that gives him. . .

Schapker: Okay, hold it right there, right now. This rod slip is filled out by who?

Oltz: Partially by the welder, partially by his foreman, partially by the rod shack.

Schapker: Okay, is there an inspector involved there?

Oltz: No.

Schapker: Is that an adequate QA document then?

Oltz: It is not; a rod slip is not. I don't know how to put it, a rod slip is not a control, a record...A rod slip is only a control document; it is not a record document.



McCarten: Does the QC inspector make entries on rod slips?

Oltz: No.

McCarten: He makes them on KE1 forms, right?

Oltz: Right.

McCarten: He verifies welder's ID, qualification of the welder and filler material. How can you verify it from the piece of paper from two years ago. That that's what went into that weld? You are not doing a visual inspection of the weld. Right, am I right or wrong?

Oltz: No, you are not doing a visual inspection of the weld, no.

McCarten: So, how can you sit there and say...who filled out this KE1 form? Who made the entries on this KE1 form that say "NA?"

Oltz: I would say those NAs are initialed by A. C. Pallon which would be Tony Pallon who was the Weld NPE Engineer at that time.

Schapker: Okay, originally, on the flimsy, those first three points which include "verify proper weld procedure, welder's qualification, proper code material, proper backing ring and insert. Okay, Number 2 says "verify proper Bevels, details for clearance, damage, verify mark numbers. And three says "verify proper fitup, inspect tack welds." Those three were x'ed as required by the QA Engineer. Alright, and because that was...the KE-1 form was lost, we do not know if these were actually performed: these items were actually witnessed or inspected by the inspector? Is that correct?

Oltz: The weld NDE Engineer at a later date came back and N/A'd them saying it wasn't required, in this specific...

[End of tape]

Schapker: He decided at a later date, after this weld has been completed, that these items weren't required?

Oltz: Well, I don't know if it was after or before, whatever.

Schapker: Well what was the date of this...

Oltz: He didn't date his entry, here so I don't know if it was before or after or whatever; but at some point in time...

Schapker: Whenever you make an entry on a QA document like this, don't you normally initial it and date it?

Oltz: I do.

Schapker: Well, isn't that required in the procedure?

Oltz: Yes.

Schapker: In other words, he violated procedure there, first of all. Okay, the date of the final weld pass on here, dated by QA inspector No. 111, is "2/13/80," is that right?

Oltz: That was the date that he inspected it, not necessarily the date that the weld was made.

Schapker: Okay, right, on the date of the W2 issue slip is "5/23/77" That is three years later that they inspected this weld.

Oltz: That is possible.

Schapker: Okay, but there is no entries on the inspection to verify what is...what the nonconformance No. 2237 is concerned about.

Oltz: Well, 2237 is concerned with not, having this rod slip, so that they could verify. . .

Schapker: Not only the rod slip, but also says "The following welds have no rod slips common, no traceability on the welder's ID, qualifications, filler material or heat numbers." So he is not just saying rod slips, he is saying, it says right here...

Oltz: But the other information all comes from the rod slip.

Schapker: That's okay, that's very fine. Are you saying that this weld was performed on 11/23/79? when he wrote this nonconformance report?

Oltz: No, I would say the weld was made back in '77 when the rod slip was dated. And the inspector went out and...in '79 when the NR was written originally...and

Schapker: Is it common practice for your inspectors to take a rod slip two years later and fill out the KE1 form?

Oltz: I wouldn't say it is common practice, but it has been done.

Schapker: It has been done. They verified these items from the rod slip?

Oltz: No, there is in this case, there is "N/A" there, so they didn't verify those items from the rod slips but those got as far as. . .

Schapker: But it has been done that way you say?

Oltz: Well, as far as the fit-up can't. . .be verified that way; but as far as the heat number of the rod that was issued for that weld, the traceability of that heat number, the identification of the welder that did it, and from that identification can be determined that the welder was qualified.

Schapker: Okay, you are telling me that the KE2 form is a working document for quality then: to assure the quality of the product. That even though the inspector did not verify these heat numbers himself, other than material going into it. He did not verify that this was

actually the welder that performed the weld, or this particular weld number, is that true?

Oltz: Only from that rod slip being issued to do that...to make that weld. It was verified.

Schapker: What do your procedures say on the KE1 form that the inspectors...how does he go about verifying these first three items on the KE1 form?

Oltz: Normally, he does it at the time he inspects the fitup.

Schapker: At the time before the weld is performed and during the weld, right?

Oltz: Right.

Schapker: Okay. So how can you void this NR?

Oltz: Based on the fact that the rod slip was found.

Schapker: Okay, you are saying that based on the fact that rod slip is found. That is a viable, QA document. That you can go back and reconstruct a KE1 form from a rod slip. You can take a KE2 form and reconstruct a KE1 form, and that is an acceptable QA document. Is that correct? Yes or No?

Oltz: No.

Schapker: Well that is what you are saying you did.

Oltz: No.

Schapker: Okay, how did you verify these welds have traceability on welder's ID?

Oltz: Right there.

Schapker: That is the KE2 form! That is not the KE1 form! You just said that you couldn't do that.

Oltz: I said that this here isn't used totally to verify this. This was na'd out on this form so this wasn't verified. The Weld NDE Engineer Tony Pallon, at that time, na'd that out said it wasn't required to verify that for this specific weld.

Schapker: Okay, you based it on his. . .So that is Tony Pallon's initials there?

Oltz: Yes.

Schapker: Okay, that's enough of that.

McCarten: I have some general questions to ask about NRs, Floyd. After Isa Yin's inspection, why did the voiding continue? Why did the voiding

become so widespread in November and December and January of 1980 and 1981?

Oltz: I don't know that it became. . .

McCarten: If you look at the log books, you will see that it was quite extensive during that period. Here is a page out of the log book.

Oltz: I don't know that it was more...shall we say extensive during that period of time, other than maybe because there was more NR's written during that period of time.

McCarten: After Isa Yin's inspection, the procedure was changed so that only the QA manager could void an NR. Is that true? And only if it was written in error?

Oltz: Well, uh...

Schapker: Correct me if I am wrong. That what's you said a minute ago, now what is it?

Oltz: Well, reasons specified in the procedure like it says, duplication, it gives two or three reasons, there.

McCarten: Right, but only the QA manager can do it.

Oltz: Right.

McCarten: And that was done after Mr. Isa Yin's inspection in October of 1980.

[Investigator's Note: This inspection was actually done in December 1980]

Oltz: I think it was some time later than that, before the procedure was actually changed.

McCarten: I am showing you some NRs from 11/6/80. NR No...no control number on it...control number 5205. There is a red "void" stamp on it. Who is the man that voided that NR?

Oltz: Chuck Burgess.

McCarten: Is he the QA manager?

Oltz: No.

McCarten: Okay, that's all I ask.

McCarten: We have an example of some NRs that were never entered in the system. Do you want to cover that in your stuff.

McCarten: I have a question on this.

McCarten: Did you ever change a page on the log book?

Oltz: No, the only time a page was changed out in the log book is when Tom Daniels got a xerox copy and we put a xerox copy in there and Tom Daniels got the original. I think it was two pages that way.

McCarten: Did you ever whiteout a page in the log book and whiteout the location of an NR?

Oltz: No.

McCarten: I am showing you a page from the log book? Entry No. 5212...5412. It shows NR 2996, "welds have lack of penetration." The original page which is in the envelope has whiteout on it. Did you whiteout that entry?

Oltz: No.

McCarten: You never whited out an entry in the log book or whited out the control number in the log book?

Oltz: No.

McCarten: Has Mr. Gittings ever done that?

Oltz: Not that I am aware of.

McCarten: Okay.

Schapker: Anybody else that works for you do that?

Oltz: If it was done, it was probably done by the uh...a clerk.

McCarten: Are you ever aware of an NR not being entered in the system?

Oltz: No.

McCarten: Every NR that was written by an inspector was entered into this system?

Oltz: Or...There was NRs that didn't get into the system because they were... An inspector can call in for a control number and if it...and through the approval cycle, which is his supervisor and that discipline QE reviews it before they come in. . .

McCarten: Why did you people void inspection reports if they were not written in error? An inspector identifies a defect in a weld and you put, on this one particular NR, "will be reinspected after redesign," and I will show you the NR as an example.

Oltz: You will find that on several NRs.

McCarten: I know and that is why I am saying...It is put in there, will be reinspected after redesign and signed by Gittings or yourself, or someone. Why did you void it? Why didn't you disposition it and send it to the Material Review Board?

Oltz: This was done at Gitting's direction, and it was done at the time that the word came out that all hangers were being reevaluated and would be 100 percent reinspection. And so people in management, getting back to the old bean count, said, well, those hangers, some of them will be moved and some will be totally redesigned, and lots of things could happen in this reanalysis.

McCarten: The procedure said that the NR will be voided if it is a duplication or if it is written in error. Were those reports duplications or written in error?

Oltz: That part of the procedure was put in after...when the procedure was changed; the procedure didn't read that way previously.

McCarten: What did it read previously?

Oltz: It didn't specify.

McCarten: You could do anything you want. You could void any NR you wanted to.

Oltz: Well, based on good judgment and knowledge and things that way.

McCarten: It didn't lay out any specific criteria.

Oltz: It didn't spell out specific criteria, no.

McCarten: And anybody could do it?

Oltz: More or less, yes. I inherited the job only by inheriting the position, but with no restrictions on that had come down to me or to any specific party.

McCarten: Were all these hangers later going to be redesigned?

Oltz: All hangers are in the process of being analyzed and redesigned and 100 percent reinspection in all the hangers. And at the time that these NRs were voided, to make the bean count look good, they were treated as a closed NR from the standpoint of distribution. The inspector that wrote the NR originally was on distribution to get a copy of it so that he could put it in his file...a tickler when he goes out to reinspect again.

McCarten: What about this; on NR #2466, it identifies defective hangers in the Diesel Generator room, large borepipe hangers. The notation is, "each hanger listed will be issued on a separate NR." And it lists 124 hangers. And I don't know who signed it. Our review showed that of the 125 hangers, only 99 have still not been put on a separate NR. The date of this NR, No. 2466, is "1/3 of 80," that is a year and four months ago. Why haven't those NRs been issued on a separate NR, as you said in your initial void?

Oltz: I didn't.

McCarten: Who said that?

Oltz: That looks like Rex Baker's signature.

McCarten: Okay, Rex Baker said that; who would be responsible for writing up those NRs?

Oltz: At that time, Rex Baker was, along with bring the Weld NDE Engineer and also the Inspection Supervisor and I would take it that, as these hangers were inspected, the NR would be issued.

McCarten: They were already inspected.

Oltz: So, I guess you would have to talk to Rex on that as to why or whatever, those NRs.

McCarten: Why weren't the 25 NR's written?

Oltz: What happened to the other NRs, I don't know.

McCarten: Okay.

Oltz: I wasn't involved in that one.

McCarten: That it?

Gamble: Let me get the nonconformance material report logs here..the closed and the open ones. This is the situation that we started talking about a little bit about yesterday informally. We found a number of situations where the control number was issued on...for a nonconformance report, no nonconformance report number was issued, and in addition to a red notation that it was "void," there was also stamp that said "Inspection Report." Can you tell us, what is an "Inspection Report?"

Oltz: An Inspection Report is a nonconformance, or is written on a nonconformance form by receiving inspection when as...it comes over to our NR controller and she takes it to Engineering to get a disposition on it. If the disposition is "reject, return to vendor," it comes back from Construction Engineering with that disposition on it. Instead of issuing it a control number, she stamps it "Inspection Report" and stamps our log inspection report. They are handled on the control number only. And this has been the procedure since I have been here. That is the way they are to be handled. And these entries you are talking about here, I looked into that for my own information...

Gamble: Since we talked yesterday?

Oltz: Since we talked yesterday, I looked into that first thing this morning; got these books and studied through. And in going through there and seeing the entries, I called the NR...Cathy over...who was taking care of the NR's. And she is as much at loss to explain it as I am. I accused her of making a mistake in stamping something

that shouldn't have been stamped as "Inspection Report," and she said she didn't do it, and she doesn't know who did, and I don't either.

Puglia: You're the supervisor in here and you are responsible for these logs? I was here one day, Floyd, and this thing popped off the page to me. It is clear to me that when we asked for these we turned up approximately 72 NRs that relate to quality assurance problems in this plant. Are you saying that you were not aware that these things were in the vault?

Oltz: Right.

Puglia: That you have never seen them?

Oltz: I haven't seen them, no. I don't see each and every piece of paper that goes into that vault.

Puglia: Are you indicating that, on your log, that you have not made these notations marked, for example on this page here, this noted "Inspection Report?"

Oltz: I didn't and I was told by the girl that is assigned to take care of the log, that she didn't. And I have every reason to believe her.

Puglia: This log is under your control, isn't it, Floyd?

Oltz: But this log is not...the NRs themselves are locked up in the cabinet; but this log has not been. So this log is available on off-shift hours...to the people that happen to be here.

Puglia: I am going to show you control number 5357 on a nonconformance report. I would like to have you examine it and tell me what you make of it.

Oltz: I would say that this NR was written by the hanger inspectors...was brought in and was reviewed by Rex Baker, the Inspection Supervisor, was brought in and was given to the QA manager, and he is the one who applied this "void" stamp and put the notes on here. P.S. Gittings has signed it; and it appears to be his writing. And he is in control of the "void" stamp and I would say that he is the one that is also responsible for putting the "Inspection Report" stamp on there. But, not having seen this being done, I would say that is only a guess.

Puglia: Alright, there is also the notation that it was voided out...in the log. Your secretary has identified that handwriting as hers. Have you ever received telephone calls or did you instruct your secretary to void out that particular NR control number?

Gamble: She is the NR controller, not just a secretary.

Oltz: She would make the entry in here based on that.



Puglia: She said she does not recall seeing this. How does she get notification to void that NR.

Oltz: Only off of that piece of paper.

Puglia: She did not see this piece of paper, Floyd.

Oltz: Then I don't know how she done it.

Puglia: Are you getting telephone calls from Mr. Gittings to void particular control numbers?

Oltz: No.

Oltz: Those NRs, I would say, was handled by Mr. Gittings.

Puglia: Somebody has to alert your clerk to make the entry.

Oltz: She may have been given a list of numbers.

Schapker: From who?

Oltz: From Gittings, based on putting these...putting these notes on these NRs. Something that way that she would close out those specific ones. If she didn't see the individual NRs, she made have had a list of control numbers saying to mark them "void." She may be have been given instructions that way from Gittings to do it. But I have not seen them and have had nothing to do with them.

Puglia: Look at control No. 5354 and tell me what you make of that.

Oltz: Same condition as the other one.

Puglia: Does it relate to warehouse purchasing?

Oltz: No. It relates to work being done in the field; and it should not be an inspection report.

Gamble: How do those "inspection report" stamps get on those forms?

Oltz: Normally, the NR Controller puts them on there. And, when I questioned her about it this morning, she is well aware of which ones get the "inspection report" stamp and which ones don't.

Gamble: We have showed her these particular forms and she says she has not put that "inspection report" stamp either on that NR or on the log book. And when she made the "void" entry here, the "inspection report" stamp was already on the log book...put on there by someone else.

Oltz: Probably the same party that put that on here, probably at the same time.

Puglia: Who is that?

Oltz: Well uh...I don't know.

Gamble: What reason would anyone have for putting "Inspection Report" on something that is not an Inspection Report? What purpose would it serve?

Oltz: Your guess is as good as mine. I don't know.

Puglia: I hand you Control No. 5353.

Oltz: The same thing.

Puglia: I hand you control Number 5230.

Oltz: Same type of situation.

Puglia: Does it relate to warehousing purchasing?

Oltz: No.

Puglia: What does it relate to?

Oltz: Work being done in the field, hanger work.

Gamble: This one, the voiding on this form, control No. 5230, is signed by Mr. Gittings, right?

Oltz: Right.

Gamble: The date of the signature is the 21st of January, 1981.

Oltz: Right.

Gamble: Your NR controller has identified this as her handwriting on the log book for control No. 5230. On the log book she wrote "void, per P.S. Gittings," the date: January 22, 1981. If she were reading off the NR that is voided there, I would imagine that she would copy the same date off there. How would she get a different date?

Oltz: I would, now this is only an assumption, and I know assumptions get people in trouble, but I would think that this was given to her to close out these control numbers in the book and this is the date that she did that...which would be the date after this entry was made on here.

Gamble: I realize that you are just making an assumption there. But in any case, leaving this immediate one aside, did you ever give her a list of control numbers to void out?

Oltz: No.

Gamble: Did anyone every give her a list of control numbers, to your knowledge, to void out?

Oltz: Not that I know of.

Gamble: Does your NR controller have direct contact with Mr. Gittings?

Oltz: Yes.

Gamble: Mr. Gittings and the Controller speak on the phone, or in person, or what?

Oltz: Either one, or both. At one time he was sitting in this room here, at that time he was sitting in this desk in this room right here. And her desk being right outside the door, it could be verbal, it could be...I would think it would be more verbal than it would be on the phone taken they're sitting just a few feet apart.

Gamble: Would you be surprised if Mr. Gittings went to your NR controller and directed voiding of the control number without your knowledge? Would that surprise you -given the structure of your office?

Oltz: Not really, no. Since the procedure was changed and Mr. Gittings had the "void" stamp, he would probably, if he put a "void" stamp on it, he would probably give it directly to her and wouldn't...See, up until the time the procedure was changed, I had the "void" stamp, so I put the void stamp on the NR's. After that time, the "void" stamp was turned over to him, and if he put a "void" stamp on... and her being sitting right outside the door it would be...I may have been out of the office at the time when he, you know all he would have to do is call her in here or poke his head out and say "void that control number." Or he gave her a list of numbers on maybe just a scrap piece of paper and say "void these out."

Gamble: Would Mr. Gittings have an "inspection report" stamp?

Oltz: No, but I can...that "Inspection Report" stamp is laying on the NR controller's desk and I can get to it right this minute so anyone else... It is not a controlled stamp, I'll put it that way.

Gamble: When you have a nonconformance report such as these here, and they are stamped "Inspection Report." Let's assume they are legitimately stamped "inspection report" - they are, in fact, "materials-received" inspection; and they are voided. Where would these be typically filed? What would your staff do with them, in filing them?

Oltz: They would be in the vault.

Gamble: Now take the exact same situation, however, as in this case with control number 5230, it is not really an Inspection Report. Let's imagine control number 5230 did not have a stamp "inspection report" on it and the log did not have "inspection report" stamped on it and it went through just as a straight nonconformance report, which it is in fact is. It was voided by Mr. Gittings, January 21, 1981. Where would that go if it didn't have a "Inspection Report" on it?

Oltz: It would be treated like a closed NR, and would get an entry like you see in here that says "NR not issued" and a closed date to account for that NR number and. . .

Gamble: There is no NR number at this point; there is just a control number.

Oltz: No, just a control number, but That entry would be put in there to show what happened to that control number; that it wasn't just lost in the mill somewhere.

Gamble: Where would the piece of paper go?

Oltz: If we had a copy, it would go to the vault. If...In most cases, where there is just a control number issued and the NR gets voided out before it becomes an NR...before it is issued an NR number, it never gets in to us, so we don't see the NR and therefore we don't have a copy to file. But if it did get into us, then we don't throw away anything, we put it in the vault.

Gamble: Is there a file of voided NRs that are not stamped inspection reports that have control numbers, but no NR numbers?

Oltz: It would be in the same file with those.

Gamble: These were in the "Inspection Report" file.

Oltz: Right and if there was it would be in that same file. No, the ones that don't have NR numbers, that were never issued an NR number, are all filed together by control number in the vault. So it would be in the same file.

Gamble: If you have a nonconformance report that has nothing to do with Inspection Report items, it is a straight field inspection by a QA inspector that comes up with a nonconformance report, it is voided before an NR number is issued. You would file this with the inspection reports even though it is not an inspection report?

Oltz: Only to have a place to put it. It doesn't have an NR number on it so where are you going to file it? It can be traced by the control number so it is put in that file, only to have a place in the vault to file it.

Gamble: Has this always been the practice?

Oltz: Since I have been here, yes.

Schapker: Is that in your procedures?

McCarten: Is that in the procedures?

Oltz: You mean as to where they are filed?

McCarten: Yes.

Oltz: No. It has been the practice that we used since I have been here so that we know where to find them again.

Gamble: Earlier this year, NRC representatives of the Office of Inspection and Enforcement - Mr. McCarten being among them, requested copies of all voided nonconformance reports. I understand there are two iterations of voided NRs that were turned over and now are in NRC's custody. Were you aware of this voided request for nonconformance reports?

Oltz: Yes.

Gamble: How were you aware of it?

Oltz: I was given the request.

Gamble: It came from NRC to you directly?

Oltz: Well, I think through, uh, Phil Gittings.

Gamble: Through Phil Gittings, the QA Manager?

Oltz: Right.

Gamble: So presumably, as far as you know, NRC made a request to Mr. Gittings or someone further up the line, and it came from Mr. Gittings to you that NRC wants these NRs. What exactly did Mr. Gittings ask you to do?

Oltz: To pull all the voided NRs as quickly as we could, and run a copy of them for our files, and turn over the originals to NRC.

[End of tape]

Oltz: Not remembering specific numbers, but we had three or four people down in the vault pulling so we could...this was on a Friday afternoon.

Gamble: People under your direction?

Oltz: Right. We went through, as quickly as I could, went through the file and pulled everything that they seen had a "void" stamp on it. And we had more people assigned to running copies of them. And myself and a couple of others came in here on Saturday morning. And the ones that we had ran copies of on Friday we turned over to NRC on Friday evening and the other ones were locked up for the night. We came in on Saturday morning and finished running copies and I called Pat Gywnn to come out here, and he got the rest of them we had ran copies of that morning and put them in well, the locker we...the NRC controlled cabinet.

Gamble: Okay, now as I understand it, after you made this turnover of nonconformance reports, it was discovered that there were additional nonconformance reports that NRC required - which as I understand it,

were the nonessential nonconformance reports - and you put together a second package of nonconformance reports and turned them over.

Oltz: Yes, in the same manner of doing it; we ran a copy for our file in case we needed to refer back to them. And then as soon as we had these copies ran we gave them the originals.

Gamble: Why weren't these nonconformance reports turned over that were voided, and filed in the "Inspection Report" file?

Oltz: I guess you could say two reasons. I didn't know they were there, for one reasons. And for another reason, not having an NR number, they weren't considered as nonconformance.

Gamble: You just told me that standard procedure since you have been here is that a voided nonconformance report that does not have an NR number assigned to it is filed in the "Inspection Report" file. You do that...

Oltz: If it hasn't received an NR number, it is not really considered as an NR. It is only considered as a report that was written by an Inspector and hasn't formally become a nonconformance.

Gamble: NRC asked for nonconformance reports that were voided. Now the one example I have got in front of me, it is a Henry J. Kaiser company form. Preprinted on the form it says "nonconformance report." It is filled out by QC inspectors and countersigned by a couple of people up through the QA manager who voided it. Now to me, this looks like a nonconformance report that was voided. Doesn't it? The only thing this form doesn't have is a nonconformance report number. Are you saying this is not a voided nonconformance report?

Oltz: It's uh...I guess you could call it a voided inspection report.

Gamble: A voided Inspection Report? Are you saying that because of the...

Oltz: However, how the "Inspection Report" stamp got on there, that is irregular and doesn't normally happen, but I guess...

McCarten: You just told us that NRs that don't get control numbers get stamped as IRs and filed in IRs. And you called them NRs five minutes ago. Now you are calling them IRs again.

Oltz: No, they are not normally stamped...if they didn't come out of receiving inspection, they don't normally get the "inspection report" stamps.

McCarten: That is not what you told us a minute ago; a minute ago you told us that an NR with just a control number was put in the IR file.

Oltz: But it doesn't have the inspection report stamp on it. That place is blank.

Gamble: Okay. What is this? Control Number 4374, "Nonconformance Report" form, stamped "void." This was also located in the file that is dubbed "inspection report file;" however this nonconformance report does not have an inspection report stamp on it.

Oltz: Right, and that is the normal way that they would get in there; they wouldn't have that "inspection report" stamp on there unless they came out of receiving inspection.

Gamble: What is that document? What would you call that?

Oltz: A report that was written up in the field and voided by the Inspection Supervisor before it ever became a nonconformance.

Gamble: It is not a nonconformance report?

Oltz: It is a report that was written by an Inspector at the time he made an inspection, but it was not formally given a nonconformance report number.

Gamble: Okay, I'll agree it was not given a nonconformance report number. But are you telling me this is not a voided nonconformance report?

Oltz: I guess we are getting into a play on words here as to what's a nonconformance report and what isn't.

Gamble: Perhaps we are; I just want to understand what you mean.

Puglia: Floyd, does it relate to warehouse purchasing, or does it relate to construction in the field?

Oltz: I would say it relates to construction in the field.

Puglia: How do you normally record these deficiencies?

Oltz: They are normally written up on a nonconformance report form.

Puglia: Alright let's move on. Floyd, you indicated that it is your position that you are not aware of these forms, and we have gone over a number of them that you were not aware of their existence, you are not aware of this procedure being carried out, with the inspection stamp being applied to nonconformance report that had been issued a control number. Is that correct?

Oltz: On these specific NRs, right.

Puglia: I am going to show you control number 5035. Would you take a look at it please?

Oltz: Now you found one to contradict my words.

Puglia: Would you indicate whose signature, initials appear on that under the void stamp?

Oltz: That's mine.

Puglia: Would you indicate what is that on the top of it in the number block at the stamp and what it says?

Oltz: It is stamped "inspection report."

Puglia: It is somewhat contradictory to your previous statement, isn't it Mr. Oltz?

Oltz: Yes. I said you found one that contradicted what I said. I think that is the exception and not the rule.

Puglia: Would you like to see another one? Floyd, knock off the games alright? We've been in here for an hour and we have been going round and round. Alright? We have found 72 nonconforming items that have been placed outside the mainstream of the normal filing system. We want to get down to the bottom of how they got there. Okay?

Oltz: Yes.

Puglia: Now, let's not get caught up in semantics.

Oltz: I didn't think we were.

Puglia: I am going to ask you again, were you aware that this procedure was being followed here? Floyd, wait a minute, before you answer the question, okay. We are not playing games here; this is serious business and let me tell you, it is very serious, alright? We want to get to the bottom of how these 72 NRs wound up outside of the normal nonconforming reporting system. Are you aware that this procedure was going on?

Oltz: The previous NRs that I was shown that had Mr. Gittings signature on them, that is the one that voided them, no. I didn't know that had happened on those NRs. Now, this specific NR, as it says here, "rework for NR E-2789," that this is a duplicate type NR. And so this one was taken out of the system as a duplicate, and was caught as a duplicate before it was issued an NR number.

Gamble: It was voided as a duplicate, but why was "inspection report" stamped on it?

Oltz: I would say it was probably an error on my part.

Puglia: Are you aware that these things were being taken out of the normal file system, Floyd?

Oltz: An NR. . .

Puglia: Just answer my question. Were you aware that these were taken out of the normal filing system?



Oltz: I would be aware that that one right there was put in with the inspection reports.

Puglia: So are you changing your statement now?

Oltz: No.

Puglia: I am going to refer you to control number 4954. Would you take a look at it, please. That was also included in the 72 nonconforming items that were in the inspection file.

Oltz: Right.

Puglia: Would you look at the signature that appears on there. Is that your initials?

Oltz: Right.

Puglia: Are you aware that that...how that got into that file?

Oltz: This NR not having an NR number at the top would normally be filed in with the inspection reports because is that the only method we have. . .

Puglia: So you are aware that these things are going into the inspection reports, is that correct?

Oltz: The ones that are closed out that don't have, like I said earlier, if they get into us where we have a copy, we put it into the vault. And the only method we have to track them is through this control number.

Puglia: Where do you put them in the vault?

Oltz: In with the Inspection Reports.

Puglia: So now you are saying that you are aware that they go into the inspection report file?

Oltz: These NRs, yes. The ones we were talking about earlier, that had Mr. Gittings' "void" on them, I wasn't aware that they had been voided and put in that file.

Puglia: I want to show you control number 4859. Examine it and are those your initials that appear on that?

Oltz: Yes.

Puglia: Is it stamped at the top?

Oltz: I would say that was a case of...again error on either my part of the part of the NR girl that would have put that stamp up there and it shouldn't be there.

Puglia: Did you direct that to be filed in the Inspection Report file in the safe?

Oltz: This specific NR, well I guess I would have to say yes. Because the instructions are if they don't have a...the instructions to personnel doing the filing...if they don't have NR number on them they are to be filed in with the Inspection Reports so that we have a method of tracking them.

Puglia: Floyd do you want me to go on? Floyd, calm down, take it easy. Would you tell me, in very simple terms, were you aware that there was an inspection report file where nonconforming items that were put on a nonconformance report by QA inspectors after having been issued a control number and subsequently did not receive an NR number, were placed in the inspection report file?

Oltz: Yes.

Puglia: So you are aware of it?

Oltz: We have to talk specific NRs. I am aware that this was going on, but specific NR numbers when we started out talking here, those specific NRs I wasn't, but I was aware of. . .

Puglia: So I am asking now, I am asking again. I am asking what I asked before: I want you to answer the questions as they are asked. What was your understanding why this file was maintained?

Oltz: To have a place to file the reports in the vault.

Puglia: Why were they not properly voided and put in with the other nonconformance reports?

Oltz: The only reason being, in the vault where they are filed, the inspection reports are filed by control number. The NRs are filed sequentially by the NR number. And so if you put one in the file that only has a control number on it, you've lost it.

Puglia: Was it your intent, or the intent of Mr. Gittings to keep these from regulatory authorities?

Oltz: I have no idea what he had in his mind, but as far as in my mind, no.

Puglia: Did you have knowledge that these things were being maintained?

Oltz: I knew there was NRs in the vault, and like I said earlier, if we had a copy of it, we kept it. If it was voided before it got to us, then we never got a copy and we didn't have a copy to keep. But anything that we got a copy of we kept so we have it for historical record purposes. We don't have it in all cases, because if they voided out in the field before they got into us, we don't have a copy to put there, so we don't have it in all cases. But in any cases we do have, if they were voided out after they got into our hands, we kept them so we would have them.

Puglia: Have you ever received calls from Quality Assurance inspectors that asked what happened to their NR?

Oltz: The only NRs that I got a complaint on from Quality Assurance Inspectors, or heard complaints on after they were voided, is the ones that dealt with hanger problems and was voided out by Mr. Gittings. Normally on a...normal procedure on a "void" is to treat it as a closed NR and so when the NR is voided, by distribution, the inspector wrote it and his lead man both get a copy. So then the person that wrote it would get a copy back showing that it had been voided. And uh...you know, a xerox copy. And that would make them aware that the NR has been voided. And I didn't get any complaints, in the five years that I have been here, I haven't had complaints or questions as to why an NR was voided; because in my case, I have always discussed it with enough people that the NR was being voided before it ever happened. And so there wasn't questions come back as to why was a specific NR voided or things that way; until such time as these here that were voided by Mr. Gittings. Then there was questions coming from the field.

Puglia: Let me give you control number 4904, would you examine it? Do you recognize the signature, the initials that appear on the "void" stamp. Are they yours?

Oltz: Right.

Puglia: Are you familiar with that particular quality assurance inspector?

Oltz: The inspector that wrote it?

Puglia: Yes.

Oltz: He was one of the inspectors here, yes.

Puglia: Do you remember having any conversation with him regarding that being voided?

Oltz: Not specifically, no.

Puglia: Where was that particular NR filed?

Oltz: It would be in with the...I would imagine, it would have been in with the other inspection reports.

Puglia: Did you stamp it?

Oltz: If I did, I made a mistake.

Puglia: Did you stamp any of the others?

Oltz: I am not saying that I didn't, but if I did I made a mistake. I don't remember stamping them, but I am not saying that I didn't.

Puglia: Did he ever instruct you to direct one of these to that file?

Oltz: No.

Puglia: I also asked you yesterday if there any reports behind this particular stamp. I asked you twice and you told me no. Is that correct?

Oltz: At the time we talked yesterday, I didn't remember these here existed. Now after seeing them, I'll have to change what I said yesterday.

Puglia: I specifically asked you is there any piece of paper that represents an "inspection report" and what was your answer?

Oltz: The ones coming out receiving inspection.

Puglia: Right.

Oltz: And, after looking at them, I see where there has...where has been mistakes made.

Puglia: Floyd, let me correct you; I don't view it as a mistake. Okay, that is my view of it. I don't view it as a mistake; I view it as something much more serious.

Oltz: Okay.

Oltz: I personally...the part of having, whether the inspection report stamp is on there or not, maybe I am missing something, but I don't see that as a significant item. Because the NR paper would be handled by the control number regardless of whether there was an "inspection report" stamped on top or was a blank there. They would be filed the same way: they would be treated...

Puglia: But they were never brought to attention of the NRC after formal and informal requests, were they?

Oltz: No, it wasn't. Maybe I am as guilty as anybody on that, but the instructions are from Gittings as a first time around, that the NRC had wanted all essential NRs. And the second time around the request was that they wanted the nonessential NRs.

McCarten: Voided NRs?

Oltz: Right, the voided NRs.

Puglia: Are these voided NRs?

Oltz: And. . .

McCarten: Are those voided NRs that Mr. Puglia has been talking about? That are in the inspection report file?

Oltz: These are not essential or nonessential, either one.

McCarten: They are essential NRs, alot of them.

Oltz: Well, but they don't indicate that by not having an NR number. So I would say that is how they were missed and not pulled and given to NRC, because the one request was for essential NR numbers and the second time was for ones having non essential NR numbers. These not having NR numbers, is the reason that that file wasn't even looked at when we were pulling NRs to give to the NRC.

Puglia: The way this was filed, wasn't it the intent of you and Mr. Gittings that nobody would ever see these files?

Oltz: No.

Puglia: Why would they separate it out from the normal filing system, Floyd?

Oltz: Because the NRs are filed by NR numbers and these don't have an NR number.

McCarten: Yes, but you voided them; you have NRs, you stood there and you voided an NR and you gave it a number and you voided it. Why were these never...they were given a control number, voided, but never given an NR number. Why not?

Oltz: Because they were voided before they became a...they got into the system to be given an NR number.

Puglia: Okay, lets move along, Floyd. Floyd, are you aware of this procedure of NRs coming in from the field that were sent back with instructions to prepare surveillance reports instead?

Oltz: If this happened, it was by instructions given by management and not by myself.

Puglia: What management? Be a little more specific.

Oltz: Probably, Gittings. Being QA manager, he would have direction over the nonconformances and if he thought it was the wrong the piece of paper to handle the problem on, he could give the direction to record it on some different piece of paper.

Puglia: What is the procedure for the punch lists, clearing punch lists, Floyd?

Oltz: Punch list items, is one that is reported as a result of a walk down and is a type of an item that doesn't require an engineering disposition to correct it.

Puglia: Were you ever present or did you ever make a conversations were nonconforming items would be put on surveillance reports or punch lists?

Oltz: I couldn't bring out specifics, but...it would...I have...aware that that has happened: that someone in the review cycle determined that that is not of such a consequence that it should be a nonconformance and the discrepancy could be corrected as a punch list item.

Puglia: Who would be in the review cycle?

Oltz: The Discipline Quality Engineer or the Weld NDE Engineer or QA manager or Inspection Supervisor, someone of that nature.

Puglia: Have you ever been told to "void" an NR with instructions that it should be put on a Surveillance Report or punch list?

Oltz: I don't recall specific NR numbers, but I think it has happened.

Puglia: Either it did or it didn't happen. Did it happen or it didn't happen?

Oltz: As I said, I couldn't recall specific numbers. . .

Puglia: I don't expect you to recall specific numbers.

Oltz: But I recall this happening, yes.

Puglia: So, you have voided NRs at the direction of Gittings?

Oltz: Or someone else in. . .

Puglia: Who else?

Oltz: Well, the Inspection Supervisor or Weld NDE...

Puglia: What Inspection Supervisor?

Oltz: Well, at the time...recently would have been Rex Baker...or it depends upon the period of time we are talking about, because over the years, people have changed. So at one time we had Rex Baker was Inspection Supervisor; prior to that there was Ed Kaser, or Bill Kacer was an Inspection Supervisor. The weld NDE Engineers changed over the years. The QA managers have changed over the years; so it depends on who was here at the time as to who gives the. . .as far as specific names.

Puglia: So on a number of occasions, you have been told to void NRs?

Oltz: I wouldn't say it was any great number.

Puglia: Alright, but it has happened?

Oltz: Right.

Puglia: Did you ever change any numbers on I.S.O.?

Oltz: Changed the numbers? No. We had an ISO that was identified as having a problem with a wrong number or something that way, there would be a note taken down to the people that made the changes; and it would have been done to the master [unintelligible] copy of the I.S.K. and show up as a revision.

McCarten: Jerry's got one more and that will be it.

Schapker: I have got a voided nonconformance report here, No. E-5108. And I believe that is your signature, is that right?

Oltz: Yes.

Schapker: Can you explain to me how...or who told you that could be a voided NR? Why that should be a void?

Oltz: I said "accept on documentation found". . .so I would say its...

Schapker: Okay, could you show me the documentation that was found that makes that acceptable?

Oltz: I don't see it.

Schapker: The KE-1 form is in there.

Oltz: On...Here is a heat number entered for the pup piece.

Schapker: Can you tell me who entered that?

Oltz: Well it is initialed "RLR", it would be Rich Reiter.

Schapker: And what date is on there?

Oltz: "6/19/80."

Schapker: Okay, and what was the date that the actual welding on this...this is a KE1 form we are looking at, Okay. What is the actual date that this was welded and inspected?

Oltz: Well, fit-up was on 10/14/76 and it looks like final RT took place on 10/18/76.

Schapker: Okay, so it is almost four years later.

Oltz: Now how did he verify that that was the heat number on that pup piece? Whoever did that?

Oltz: I would say through some...I don't know what he...

[End of Tape]

Oltz: ...the connotation that he had reviewed and he had reasons to believe that that was the heat number of that pup piece that was added in there.

Schapker: But you are the one that voided it. You are the one that did the voiding, not "RLR."

Oltz: Based on the fact that RLR had come up with something to show that.

McCarten: He wrote it initially.

Oltz: He wrote it in there, that that is the heat number of that piece.

Schapker: Okay. Would you take, say "RLR" is Reiter, R. L. Reiter the one who...and you initiated this nonconformance report with Reiter according to this, right?

Oltz: Right.

Schapker: Okay, I still don't see where the documentation here is available in here that proves that this...I don't see any additional documentation, other than that he made that entry on the KE1 form, that was a heat number...on that pup piece.

Oltz: I would say that came from either going out and looking at the pup piece as to what the identification was on the pup piece...or there is, possibly through the DDC there is a reference that says where this piece came from to...what piece of pipe to use for that place, or through a field work order that, something that way that led him to to documentation to . . .

Schapker: Is it normal that DDC's have heat numbers?

Oltz: No. A DDC could have some, depending on who wrote it, it could have an entry on there as to what piece of pipe is to be used. I don't know if that's the case in this specific case, but I have seen DDCs that said use this piece of pipe because when they are writing it out in the field, they had the piece of pipe right there that they were going to use, and said, were using this piece pipe with this identification on it for this location.

Schapker: Okay, I went out in the field; and I walked down this particular piece of pipe with one of your inspectors. And we walked right up to the piece and we looked all around that pup piece. There is no identification on that pup piece whatsoever: except for the weld number, that's it. So, how was it possible for him to come up with that heat number - without it being on the pup piece?

Oltz: Right at this minute, I couldn't tell you because I don't know what.

McCarten: Didn't Reiter write you a surveillance report on October of 1979 in which he said he felt he was having to make assumptions when he was filling out these documents that compromised his integrity?

Oltz: Yes, I remember such a . . .



McCarten: What was your response to him on that?

Oltz: The response to that was directed by Phil Gittings.

McCarten: What was your response that you wrote on it and signed by you, Floyd Oltz.

Oltz: I wrote the response on there as...word from word that was directed by Phil Gittings...and it is his response, really, and not mine, cause I was. . .

McCarten: What was the response?

Oltz: Right at the moment...without getting it now, I don't remember.

McCarten: You got the surveillance reports out there?

Oltz: Have you got a number?

McCarten: When did Reiter leave the site? Is that SR in that package? The Reiter SR?

Schapker: Okay, I got another thing on this.

McCarten: Go ahead, cover that.

Schapker: There is also a statement here that says weld A is located one foot inside the penetration M13 in violation of section 910.1 of H2256. Now, what documentation was found to address that?

Oltz: The fact that a preservice inspection had been made on that weld and it was...the idea of that paragraph has said welds have to be accessible for inservice inspection.

Schapker: Okay.

Oltz: And, if the weld was accessible for preservice inspection, it would then be accessible for an inservice inspection; and these records are on file with CG&E as to what welds have had this inservice inspection...or preservice inspection.

Schapker: So that has had preservice inspection, that particular weld; we can verify that and he did verify that. Okay, but I still do not understand...or don't see the documentation for proof that the pup piece is actually that heat number.

Oltz: How he came up with that specific heat number for that pup piece, that I don't know.

Schapker: He didn't show it to you, then.

Oltz: No.

Schapker: And you went ahead and voided on his word.

Oltz: He showed me the KE1 form, where he had entered the heat number in, and he says "I've had traced it down and this is the heat number of that pup piece."

Schapker: Okay, did he say he traced it down by going out and looking at it, or he didn't indicate?

Oltz: He didn't indicate as far as I remember; he didn't indicate how he traced it down.

McCarten: Why wasn't that sent to the Material Review Board for review? Why wasn't it "accept-as-is" and dispositioned as "accept-as-is, correct documentation found and reviewed by the engineers." Why was it voided? It was your own NR?

Oltz: This has been...well ever since I have been here, and I have made complaints about it, just in talking...

McCarten: You handle the records here, and the records are all screwed up, and you know it; and Reiter told you in that surveillance report. Did you agree with what he said in the surveillance report? Is that what you are saying when you say you are directed by Gittngs to respond to that surveillance report? Do you agree with what he said? That the drawings and that all the small bore and large bore isometrics should be reviewed for material traceability?

Oltz: As to what Reiter said or as to what Phil says?

McCarten: What Reiter said or what Phil said. What do you think? Was Reiter right or Phil Gittings right? You were in charge of all the documents; you know what's going on.

Oltz: I haven't looked at the surveillance report. . .

McCarten: Have you got the surveillance reports, or are they out there in the vault.

Oltz: They are out here.

McCarten: Can we go get it?

Oltz: Depending upon the date. If it's real early...I don't remember what the date is: the real early ones we have in the vault, but if it's beyond that date it would be out here.

McCarten: You know the SR I am talking about, don't you?

Oltz: Yes, but I don't specifically...right this five minuts, I don't know the number.

McCarten: Let's go get it. Let's get the log and we can track it down.

[Break in tape]

McCarten: You've got Surveillance Report 2819 in front to you. What does Reiter ask to do on page 1 and 2 of Surveillance Report 2819? What does he say in there?

Oltz: It says "I must make assumptions which I feel compromise my integrity. See page 2 for . . ."

McCarten: Okay. Now, turn to page 2 and what does he recommend?

Schapker: First of all, I think you should clarify what he is talking about there; he says in preparing NPR1 form for small bore isometrics. Right?

McCarten: Yes, he says there is lack of traceability. Is that what he is saying on page 2?

Oltz: Okay, what I get from this surveillance report is that...The surveillance report was written that he is making assumptions, that when a heat number is recorded on the ISK; like he says here in example 1, he says "take an ISK with five-ninety degree L's and six pup pieces. And there are two good heat numbers recorded for each of these items."

McCarten: He's got to assume they go with the pipe; there is nothing that ties them together in the documentation.

Oltz: He is saying that, out of these five 90's, there is two different heat numbers recorded.

McCarten: For the five pieces of pipe? Right?

Oltz: Well, in this case, five fittings.

McCarten: Five fittings with two heat numbers and he has got to assume which heat numbers go where? Right?

Oltz: Right.

McCarten: That is what he is saying?

Oltz: That's the assumption he's. . .

McCarten: And he is saying that is compromising his integrity?

Oltz: Right.

McCarten: What was your response to him?

Oltz: The response that I put on here was directed by. . .

McCarten: But what is the response? Would you read the response?

Oltz: It says, "Procedures as written and approved are adequate to meet regulatory and code requirement for the William H. Zimmer Plant. Review of documentation is to be continued using the approved procedures and practices now in effect."

McCarten: Okay, do you agree with that statement? He identified a nonconforming condition to you that you wrote NRs on it. Was there a problem in material traceability on small board isometrics that you were aware of? Do you agree with what Reiter is saying?

Oltz: Yes.

McCarten: Okay, yet you wrote that response.

Oltz: Right.

McCarten: Because of why?

Oltz: Basically, because I was directed to.

McCarten: But you knew the review of the isometrics was in noncompliance with NRC requirements.

Oltz: No.

McCarten: You knew it was not being done right?

Oltz: Uh, the...

McCarten: You agree with what Reiter says there?

Oltz: Right . . .

McCarten: And what does he identify?

Oltz: He is identifying what he thinks is a problem that if there is five fittings on a drawing. . .

McCarten: He is saying that the problem is traceable material on small bores.

Oltz: And he is saying that there is a problem that by recording the heat number in a block. . .

McCarten: But as a whole, he is talking about traceability on small bore isometrics. Is that true?

Oltz: Right.

McCarten: And he is saying he has a problem with that.

Oltz: Right.

McCarten: And you agree that there is a problem?

Oltz: From his standpoint, yes.

McCarten: What about from your standpoint as records reviewer; you are reviewing the same records.

Oltz: The records that was being...er, the procedure that was in the effect at the time . . . .

McCarten: Not procedures; I am talking about small bore isometrics heat number traceability. Was there a problem?

Oltz: No.

McCarten: There was not. in your opinion? You just told us a minute ago, you agreed with Reiter, and that Reiter was right.

Oltz: Okay, it is a difference of opinion on...Reiter had the opinion that it had to be identified uniquely to each and every fitting. That this fitting had this number and this fitting had this number he wanted it identified . . . .

McCarten: Jerry Schapker here is a weld engineer, how is it supposed to be here?

Oltz: The procedures in effect at the time, which since that time it has been shown that it's...it comes back to the fact that...since that time it's been shown that what...in a sense, Reiter was right.

McCarten: Reiter is right.

Oltz: But procedures that was in effect at the time, required that these heat number be entered up here in the block and this is what was being done and these procedures had been written and approved by responsible parties.

McCarten: At the time he wrote his SR, did you agree that there was a problem or not? What you are saying is now he is right; was he right back then? That's six months ago, was he right? In October of 1980, that isn't that long ago, you review all these documents, do you agree . . . .

Oltz: To the best of my knowledge at that time, I agreed with this.

McCarten: With Phil Gittings?

Oltz: Yes.

McCarten: You made that entry on that SR?

Oltz: I was directed by Gittings, but yes I made it, but we more or less . . . .

McCarten: What did you and Gittings feel about Reiter's surveillance report... saying that he was compromising his integrity? It's unusual for someone to write that, isn't it?

Oltz: Agreed.

McCarten: Then what did...your response was...what did you and Gittings say was . . .

Oltz: I didn't see anything really different from it than any other surveillance report. It was a surveillance report that was written by a party on the site and was processed into the surveillance report system and handled accordingly.

McCarten: Reiter wrote and you wrote twelve nonconformance reports dealing with material traceability. Twelve, that I've tracked. And, yet you are saying it's not a problem.

Oltz: I think the majority of the NRs that you are talking were written on large bores.

McCarten: Lack of traceability on large bores?

Oltz: Right, and this surveillance report deals with small bores. You don't have the problem...the problem is different on. . .

McCarten: You are giving me two responses; five minutes ago you said Reiter was right, now you say he is wrong.

Oltz: No, Reiter is identifying the problem on small bores; because on a small bore drawing, you record the heat numbers in a block, whatever material is on that drawing. On large bores, you record a heat number for one specific item.

McCarten: I see.

Oltz: So, it is a different situation.

McCarten: But he identified a problem with small bore. Did you agree that there is a problem in small bore at the time...with heat number traceability?

Oltz: I didn't see a problem.

McCarten: You didn't see a problem?

Oltz: And a need to...I agreed with the procedures as they were written saying that we record the heat numbers that is on the material that is installed; and at that time I didn't see a problem with. . .

McCarten: You didn't see it as a problem to have two heat numbers for five pipe pieces and nowhere to trace the heat number to each piece? You didn't see that as a problem?

Oltz: No.

Gamble: Why did you take it to Mr. Gittings, then? It's addressed to you... if you didn't see a problem?

Oltz: Mr. Gittings being my boss and I don't know what to...I thought it should have been addressed to him instead of me and I didn't know what kind of answer to put on it.

McCarten: What was Gitting's response to this problem...when he identified this problem? What was his opinion about the problem?

Oltz: He thought Reiter was somewhat off base in writing it, and like you say it is an unusual surveillance report; and it was off base in writing it. And if he had a problem, he should have come to us and talked about it, you know, identified his feelings and we could have discussed it in house and see where we go from there.

McCarten: So Gittings didn't like the fact that Reiter...he had questions about Reiter writing it.

Oltz: Yes.

McCarten: Okay, did Fred Maura come in here, an NRC inspector, and find problems with small bore isometrics in March of 1981.

Oltz: Since that time, yes, that's why I say, in hindsight now, I can see where Reiter was right; but at that time, I didn't see it.

McCarten: Okay.

Oltz: Like the answer here that the procedures as written and approved are adequate and that was the way I seen it at that time. Since other things have been brought out in that, now at this time, I see it differently. I agree with what is being done now. At that time, I guess I wasn't smart enough to see the problem coming up.

Gamble: Who else did you or Mr. Gittings discuss this SR with?

Oltz: I didn't discuss it with anyone other than Phil. If he discussed it with someone else, I don't know.

Gamble: There was nobody present during your discussion with Phil?

Oltz: No.

Gamble: We talked earlier, not to belabor the issue, but I am not sure we got a final answer pinned down at one point we talked about earlier. I asked you why the voided nonconformance reports that don't have nonconformance report numbers - the ones that we found in your inspection report file - why were those voided nonconformance reports not turned over to NRC in response to the request earlier this year. And you offered two possible reasons for it, as I recall. One, being, you don't consider them to be nonconformance

reports, simply because a number was never assigned to them. The second reason was you didn't recall the time that they were filed up there. You offered these as possible reasons. Which was the reason why they weren't turned over to NRC? Those two reasons don't fit together: one or the other has to be the reason.

Oltz: I would say the reason that they wasn't pulled out for...in these voided files, because the request was made for the essential nonconformances the first time. These were hurriedly gone through and copies made and the originals given to to NRC. Then they came back and said, "no we wanted them all," so we included the nonessentials. So then we went back through the file of nonessentials and there was no direction given and no requests for any that didn't have an E or an N number on it and so, I didn't get the idea that there was any request or any need for...to into the inspection report file. I was of the opinion they were only interested in the formal NRs, there again, our numbers being an "E" for an essential NR or an "N", a nonessential NR and not the ones that weren't formal NRs by having an NR number.

Gamble: Okay, is your answer then, you...at the time you had these two requests for voided nonconformance reports, you were aware of these other nonconformance reports in the file but you didn't consider them to be subject to the request from NRC? Is that what you said?

Oltz: Right.

Gamble: And is that because they didn't have a nonconformance report number?

Oltz: Right. They wasn't considered as formal nonconformance by...cause of not having a number, so they wasn't included in this request.

Gamble: Okay, but you were aware that they were in the file at the time these requests came in.

Oltz: Yes. I was aware that they were in the "inspection report" file, yes. There was no request made to go into the "inspection reports."

Puglia: Okay. How about we take a five minute break. We would like to finish this tonight. I don't know what your personal thing is, but we would like to complete tonight. We have got some more we want to go over, and if we took a break and...get it over with. We're just going to have to come back tomorrow so it may be to your advantage to just get it over with. I don't think it will take too much longer.

Oltz: Okay, if it is not going to take too much longer...I have got a big problem if it is going to take considerably longer, my wife is waiting at home to eat, but if it is not going to be too much longer, I'd just as soon go ahead and get it over with.

Puglia: Okay. Look, we are going to get off of this individual NRs. I want to sort of get into what has been gone for the last five years since you have been here. We looked at alot of paper. Mr. McCarten has



been coming back here for the last six months. Every place we look, Floyd, you know, it is like a mush, we find soft spots here...Whatever file we go through we find discrepancies, suspect documents...What's going on here?

Oltz: Basically, I would say the problem, as I see it, since the time that I have been here, has been...lack of people. At one time there was the two of us, myself and Sue was the only two people in documentation. We took care of every piece of paper that came in and got it filed. Now how much chance have you got to look at a piece of paper when you are trying to keep up. So, there wasn't people here to look at...to review the...the big...We were doing good to log it in and to get it in the vault in such a manner so we could find it again if we needed to. And so, basically, in a nutshell, that is. . .

Puglia: That was early on, bring it up to date. Last year, they went out and got a lot of Butler people. They had a lot of people in here working.

Oltz: These Butler people were inspection people. There still wasn't anybody in here, in the office area. The Butler people helped out in the inspection part of it, but in here, that only...to us it only meant that there were only that there was that many more people out there generating paper for us to put away.

Schapker: You still only have two people.

Oltz: Right, up until last year, before we got a third person, then it was...between Thanksgiving and Christmas when they got into the cycle of getting some people to start looking at this paper. And saying "Hey, we are getting close to the end of the job here; we've got to close this stuff up. We've got to take a look at it and close it out." And so that was when they got into that mode, and up until then, there was nobody in the office area. I can remember, not this past Christmas, but the Christmas before, I had my vacation cancelled because I happened to be the last one to put in for vacation and everyone in the engineering department was gone. And NRs came in and I said to Baumgartner, "who is going to handle these while they are taking vacation?" He said, "you're an engineer, sign them if you think they are right." This is the kind of situation we were working in.

Puglia: We talked to a lot of QC people and there seems to be pervasive feeling from their end that the documentation is being played with. They're writing NRs; they're not going into the system; things may be altered. Is that your impression of what is going on? Do you know that this is going on?

Oltz: As far as I know, the NRs they were referring to, like I said earlier, there wasn't complaints on NRs that I had voided, because I had talked and discussed with people so I could satisfy myself, and the other parties involved that, uh, yeah, we've got the documentation we need, or whatever note was put on the NR was that satisfied the situation at that time. By hindsight, I could see where it could

have been done alot differently. But here again it was hurry up and get it done so that if we don't get it done, other things are stacking up to be done while you're spending a lot of time doing it: so it was a rush type thing. But the NRs that...as far as I know, the NRs that are being complained, by inspectors in the field, are these NRs that was...like these "inspection reports" ones that I didn't know about have become...the ones that have Gittings name on it.

Puglia: Did you bring your complaints to Mr. Gittings and Baumgartner and Turner...that you didn't have enough people?

Oltz: They are...management and have been aware of that, all along.

Puglia: What has been the response?

Oltz: Several times there have been requests put in at CG&E for additional people and had been disapproved.

Gamble: Why does CG&E have to approve what kind of people you have?

Oltz: They are paying the bills.

Gamble: Is your contract between Kaiser and CG&E one that they are picking up all your costs and then you get a certain profit above that?

Oltz: I think it works that way; I am not in the contract that much, but if I put in a request...well today, it has been that way ever since I have been here, if I put in a request to hire a person, that request has to be approved by CG&E before I can go out and hire somebody. They don't approve the name, they approve the body.

Puglia: Floyd, what's in that vault, Does that reflect what's out there?

Oltz: What is in that vault is what was sent in to us by the inspection people in the field. I have made that statement several times: that if it was sent in to us, we file it. If it wasn't generated and it wasn't sent in to us, we don't have it. To answer question of what's in the vault reflect what's out there, I can only say to the point if they, in the field, sent it to us, we have got it.

Puglia: Why is there the complaint that some of the stuff you don't get?

Oltz: Because, uh...

Puglia: They're writing the stuff up and it's not being put into the system, Floyd.

Oltz: That is being done, or was being done, or whatever by management people in which I had n.... I have a boss. To an extent I have to satisfy myself, but to the extent I have to do what I am told, also. And if...like these here that are signed off by P.S. Gittings, then...That he took on himself...to do. And...which I haven't...you know... and if I was to [unintelligible].

Puglia: There are four levels of management are between a QA inspector and the QA manager. Isn't it somewhat unusual that a trained, professional Quality Assurance Inspector can't get an NR?

Oltz: I don't know what you are getting at when you say "can't get an NR."

Puglia: He's got to get approval all the way up the chain to the top man to get an NR.

Oltz: Normally, he don't.

Puglia: Wasn't there a time last year when the atmosphere around here was, "we are not going to write NRs?"

Oltz: There was a time, and to tie it in with these NRs that we are talking about and it is specifically on the hanger program, it involved hangers, and Gittings got into that and . . .

Puglia: Was it your understanding that hangers weren't important?

Oltz: No, I wasn't involved in those discussions or things that way that much; but the feedback that I got through the, well shall we say grapevine, is that they wasn't going to write NRs; that the problems on hangers would be taken care of by the construction people going out there and correcting it and not having to write NRs. And there was also a time when our...when Gittings was...

[End of tape]

Oltz: wasn't knowledgable and so they were writing NRs that really shouldn't have been NRs. Like on these NRs that...these seven Nrs that I know...the original seven was voided by Gittings. They were voided by Gittings taking the approach that, by his reinspection, and he did go out and look at them before he voided them, but it was based on the idea that those welds were acceptable; that the inspectors are being too critical as far as AWS welding is concerned. And that if they were talking code welding, that most of the inspectors that came off of code welding - and that they were inspecting to code welding, and not AWS, requirements.

Puglia: So it was Gitting's position that the inspectors were being too critical.

Oltz: Based on AWS requirements, yes. That's my understanding of it...and I wasn't in all the meetings and all the discussions. .  
.[unintelligible]

Puglia: For a number of occasions...are you aware of the fact that a number of occasions, craft personnel threw water on quality control inspectors? Were you aware of any of those instances?

Oltz: Only from when I hear...only from when I hear someone laughing about: "so-and-so got doused today."

Puglia: Do you think that is a humorous situation?

Oltz: I didn't, no, because I used to be an Inspector.

Puglia: Was that made aware to Mr. Gittings?

Oltz: Yes.

Puglia: Was any disciplinary action taken by anybody on this plant?

Oltz: I don't know. It was given to...I am sure it was given to project management and it would have been up to them to take the necessary action. And so as to whether there was anybody fired over it, or anything that way, I have no idea. I never did hear...bounce back out through the grapevine; I haven't...I myself hadn't been out to the plant in over a year.

McCarten: Was there ever a time when people in document control refused to come back from lunch because things were being handled so poorly that there was virtually a walkout of document control?

Oltz: Yes.

McCarten: What happened?

Oltz: This was a disagreement that uh...the people in my group.

McCarten: Reiter was in it?

Oltz: Reiter was in it.

McCarten: Who else participated?

Oltz: Everyone in . . .

McCarten: The clerks, all the girls?

Oltz: I think with one exception, everybody in the office. All the girls.

McCarten: Could you name those people that participated in it?

Oltz: It would be the ones who were in the office at the time.

McCarten: Who were they?

Oltz: Reiter, Diane O'Keefe, Sue Gottsing, Pat Brown.

McCarten: Why did they walk out?

Oltz: A disagreement with...a general disagreement with Phil Gitting's policy.

McCarten: Policy of what?

Oltz: On how he was treating people.

Puglia: Personally, or regarding their jobs?

Oltz: Personally.

McCarten: Personally, and not regarding their jobs?

Oltz: Well...

McCarten: Did Reiter write this SR after the walkout or before? He left in November of last year. Was this walkout last September?

Oltz: I can't remember a specific date right now. . .

McCarten: What month?

Oltz: I couldn't even give you that.

McCarten: Summer or fall?

Oltz: I would say summer or early fall.

McCarten: Okay, they walked out. Was it over the documentation problems they were uncovering or was it over Phil Gitting's treatment?

Oltz: To my knowledge, it was over Phil Gitting's treatment.

McCarten: What kind of treatment did he give them, that they would all walk off?

Oltz: Well, one was just in his manner, you might say a personality problem.

McCarten: Between five people?

Oltz: It involved more people, if I could think of names...it involved the other people, I would have to look on the list and see who was in the office.

McCarten: More than five people?

Oltz: It involved everybody in the office at the time. And I myself had been making complaints about his personality, in that he was here before he went to Florida. And in a sense, had worked for me, because he was helping us in the documentation...more or less killing time.

McCarten: I thought he was QA manager before.

Oltz: Not here.

McCarten: What was his job here before; the first time he came on site?

Oltz: He was helping us with the documentation.

McCarten: And then he came back as QA manager.

Oltz: Right. He was only killing time while he was in here just waiting for the job Florida to open up.

McCarten: And the Florida job opened up.

Oltz: He went to Florida.

McCarten: He came back here as QA manager?

Oltz: Right.

McCarten: And they had problems with him, why?

Oltz: I myself had made the statement that there was a difference like in day and night between the person that was here helping us in documentation; and the person that came in here as manager. And I think it had to do with pressures of the job. When he was here without, you might say, without the responsibility or...and the authority and not just as you might say functioning as an engineer, or clerk here in the office, not having responsibility and authority, he was a totally different person then he was when he came back here as manager. It was recognized real-quick like by the people that were here, you know had been here when he was here earlier and when he came back.

McCarten: It wasn't a complaint over the way the records were being handled?

Oltz: Not that I know of. As far as I know, it was, you might say, a personality problem and in treatment of people. And after that...After that episode, he made the statement that anybody that wanted out, he wouldn't hold them back. And this was the time that Pat Brown went out in the field, Diana O'Kefee went out in the field and Mary Ann West went over to the turnover group. Mary Ann West was one of the few that...was one of the...you might say, the only one that came back from lunch. And it was because she went home for lunch and wasn't with the group. But, she also had problems with his treatment. And now that Phil is, shall we say, on his way out, she has come to me and requested that she wants back. Now that Phil is gone, she wants back in the QA department. And so it's strictly...The way I see it is is a personality type with...thing between him and the people.

Puglia: Floyd, did you attend the meeting just before they got the rid of Butler

Oltz: No.

Puglia: They had a major meeting with all the QCs where they offered them jobs. Did you attend that meeting? It was in September, October in 1980. Did you attend that meeting?

Oltz: I was aware that this was going on, that they were going to offer selected Butler people jobs, and that they were going to do away with job-shop people to have... And the reason I was given was to have better control or...well...better control and more, you might say, company-dedicated people, then they had with job-shop people.

Puglia: Is that your view of it?

Oltz: Not being out in the field and directly involved with the inspectors themselves, and that I wasn't too much involved. . .

Puglia: Did Gittings ever tell you why?

Oltz: The only thing I was told was like I just said, that they was to have better control . . .

Puglia: What do you interpret by control?

Oltz: That they could...say...directly have an effect on...a person's...shall we say, performance review and raises, or...you know hire-fire, and raise, and administrative-type controls.

Puglia: Was there any indication that there were just too many discrepancies being reported, and this was a method of reducing the number of nonconforming items?

Oltz: To me, no. But it may have been.

Puglia: Did you ever get that feeling? Did you ever think that?

Oltz: I am not going to second guess management.

Puglia: I am not asking you to second guess them; I am just asking what your opinion is.

Oltz: I know that there was statements made about specific people. And that is why I say that they offered or were going to offer to selected people and the ones that the elected...that management considered or, you might say, Phil Gittings, had problems with, they cut.

McCarten: Who didn't they offer jobs to? What inspectors that you can recall?

Oltz: I don't...There was inspectors that didn't...they made offers to and then didn't...and they didn't accept the offer and so, I am not sure when I say that...I couldn't really be sure in saying that this one wasn't offered a job and this one didn't accept the offer...

Puglia: Was it ever suggested to you that the highly critical people they wanted to leave the site. Was that ever suggested to you? Did you ever hear that? Did you ever form that opinion? That it is based based on more than personalities?

Oltz: I have heard that.

Puglia: Who did you hear that from?

Oltz: Just from the grapevine.

Puglia: Come on, we know the grapevine; who told you that?

Oltz: In walking down the hall, you could hear it from...and I would say it came from inspectors, the Butler inspectors that was in this position.

Puglia: You indicated earlier that the reason that they requested more people; why is it in the area of say, piping, the number of inspectors that were doing piping prior, were as many as ten, but after Butler was removed, it went down to three. That wouldn't suggest there was a shortage of inspectors. If CG&E wasn't finding enough...In some work levels you went from ten to three. That wouldn't suggest that the CG&E wasn't willing to pay for them.

Oltz: We get into a different situation there. As far as I know, at that point in time, CG&E had approved this number of inspectors, but the Butler people not accepting the offer...and you and I know that you can make an offer to a person and he is not going to accept...and so due to the number of people that didn't accept an offer; and some of the other Butler people accepted offers only to give themselves more time to find something else; and, Kaiser now being down like you say to three people, that is because they haven't been able to find replacements. I think CG&E has approved the inspectors; it's a matter of being able to find people to fill these slots now.

Puglia: Were you ever told or did you ever engage in any conversation where somebody told you that they were going to get rid of Butler because of the high number...their critical performance of the plant out there?

Oltz: No.

Puglia: Did Phil Gittings ever...did you ever engage in a conversation like that with Phil Gittings: where he told you he was getting rid of Butler?

Oltz: Not for that specific point. What was...what I was told and it was not...and I wasn't told it by Phil, I was told it by Knox...

Puglia: What were you told by Gene Knox?

Oltz: That it was to have more...a better administrative control of the people and if they were Kaiser people, they would be more dedicated to the company and the other reason was dollar signs: job shop people are expensive from a company standpoint. Because the way the Kaiser contract is written, Kaiser gets money for the Kaiser people, but they don't for the job-shop people.

Puglia: Weren't procedures changed about that time to put nonconforming items on SRs and punch lists: rather than NRs?



Oltz: I don't know that procedures was changed; I would say policy was changed.

Puglia: Okay, policy. Doesn't this represent alot of that policy? All these NRs...these 72 documents where people can't get them into the system. Isn't that a reflection of that policy?

Oltz: Yes. Not the whole 72, but...

Pugila: But it is indicative?

Oltz: Because some of the 72 are not tied into the hanger problem and are not tied into that time frame.

Puglia: Was it your feeling that this particular site was dominated by the craft?

Oltz: I think...No I don't think it was dominated by the craft. I think it was dominated by...in two ways. One way it was dominated by Bob Marshall.

Puglia: He's "craft," construction.

Oltz: By "craft" I thought you meant construction people in the field - union ype, craft type people. Yes, I think the job was, shall we say, somewhat controlled by Marshall; and he had a big influence on Gittings.

Puglia: In what way?

Oltz: Like those NRs right there. "We don't need those NRs, we can get them out of the system. And we...construction side of the house can correct these problems. And your inspectors are being too critical; they should have been written up in the first place."

Puglia: And Gittings capitulated to that request?

Oltz: Well, the voided NRs are evidence of that isn't it?

Puglia: It certainly is.

Oltz: So I think that was...they was...that the QA part of it, er, QA management was dominated to some extent.

Puglia: Isn't it highly unusual that the head of a construction project would go out with an NR to a working level quality assurance inspector and have him justify his nonconforming report? Don't you find that highly unusual? That the principal representative on this site, of all the levels of review that exist between that individual and the top man on the job...

Oltz: I would say normally yes, that is unusual and it was done to dominate.

Puglia: So, add it all up, Floyd. What have you got?

Oltz: You have got a job or a group, shall we say, that is...has had a problem all along, due to lack of personnel which is caused by the client, not up until just recently, there was a lack of personnel in it. And management was dominated by craft management to meet a bean count...to meet a schedule, which, in a quality [unintelligible] is wrong. Quality should not be involved in schedules.

Puglia: Let me ask you, while this was going on, in the chain of management, Phil Gittings works for Gene Knox? What was Gene Knox's role in all this? I see his name appearing on some of these documents.

Oltz: When Turner...when Bob Turner left here, Gene Knox came out from Oakland; and Gene, being the Corporate Manager, came out from Oakland and filled in as temporary site manager until they could find somebody else. Then having a problem in finding somebody else, they brought Baumgarten out from a corporate office to be site manager. And this again was with the idea that he was temporary. And there was times after Baumgarten was here that...and Knox or that Baumgarten would make a trip back to see his family and Knox would be out here and fill in. And so Knox has been since the time that Turner left here, Knox has spent quite a bit of time. And since Gittings has been here, Knox has spent quite a bit of time here.

Puglia: Is it your feeling that Kaiser is committed to quality assurance?

Oltz: I think, in an overall standpoint, yes.

Puglia How do you justify that "yes"?

Oltz: But, I think on this specific job, they have been...have allowed themselves to become dominated. And Knox being of the type person to not jump up and down, scream and holler and enforce what...you know to allow his site manager to become dominated. Or maybe it was a poor choice of site manager that wasn't forceful enough to overcome the domination from the construction side of the house.

Puglia: That leaves us with somewhat of a problem, Floyd. What do you think we have got here? We have a long, sad tale, but what have we got? What is the bottom line?

Oltz: What have we got here? A lot of work.

McCarten: Is the plant safe?

Oltz: I would say, I have no problems with it from a safety standpoint, but from a . . .

Puglia: Let me ask you something, Floyd. Let me expand on it. There is going to come a day when Kaiser leaves and everybody is gone and the only thing that is going to be here is that vault with the records in it. If pipes start leaking, can we go in there and be assured that we are going to be able to find out what's going on in there?

Oltz: That's what was I was starting to get into...

Puglia: Excuse me for interrupting, Floyd.

Oltz: From a safety standpoint of the plant, I don't have a problem. But, right at this time, I can't say that the documentation reflects what is out there.

McCarten: Okay. Is this in all areas?

Oltz: That's why I say there is alot of work.

McCarten: Is it in all areas and not limited to DG and all that?

Oltz: I don't see any difference in one area to another.

McCarten: Okay.

Oltz: I don't know of any reason why the DG rooms would be, work any differently than any other section. And that's why I say there is alot of work ahead, alot of reinspection and things that way to be done to make the documentation reflect what is out there. And this should have been done when the work was done. When you look at a document now and it is five years after it is done, you can only second guess how to fill in the blanks, where if...and we have in one case, cut out three welds in the RT system because the heat numbers showed it was a carbon steel insert in a stainless steel line. If this review had been made at the time, say the day after the work was done, it could have...you know it's fresh in your mind, if the man in the rod shack made a mistake, and wrote the wrong number down, it could have been reconciled right then.

Schapker: The point is that if there was an inspector that inspected that weld at the time it was formed and recorded it on the KEI form as your procedure requires, you wouldn't have that problem.

Oltz: True. But along with it, if the documentation had been reviewed at the time and if the inspector had made a mistake it would have been caught, and could have been reconciled right then, with alot less time involved, and and alot less money involved than it is going to take now to get this plant in to a...into condition...into a position to be ready to load fuel.

Schapker: Points well taken.

Puglia: Floyd, your bride is waiting for you. And you're hungry and we certainly appreciate your taking the time. And we are going to be around, so...

Let's start by getting some personal information; what is your name?

Floyd Oltz

What is your position here?

It has been Documentation Supervisor; there has been a couple of different titles to it, but it adds up to at one time it was Analysis Procedure Supervisor and at another time it was Documentation Supervisor and it all adds up to the same thing.

How long have you been there?

Since May of 1976.

We have examined some records and for example I am going to give you an NR No. 1777, do you want to take a look at it?

Specifically we are going to talk about heat numbers. This package came in, I guess for a relief number and the NR is generated here. Here is the NR.

Specifically, Floyd, you have made the notation on here, what slips are located and voided the NR.

In this case, I didn't make a notation.

This is your note, correct?

No, that Sue's initials.

Sue Duffy?

Yes.

Specifically, if you turn to the page 2, it is indicated where rod slips are located. We had trouble understanding how that NR could be closed out based on those rod slips.

Yes, but this only means, not having a date, only means that it was inspected at that time; it doesn't mean that it was actually welded at that time, and if you follow through here, now this is going back quite some time, so I am doing a quickie-put together thing, but the way you are just looking at it, the way I would put it together is what probably happened. You have A1, 3 and 4 are all documented, 1, 3, and 4. One was documented earlier and 3 and 4 are documented 6/30/78 which would mean that this weld was A2 being probably made at the same time that A3 and A4 was made and inspected at some later date because he went out and said, when he wrote the NR, he was saying that he didn't have a rod slip so this tells me that he wasn't inspecting it at the time that the weld was made and if you look at these rod slips. . .

It said specifically in here,

Isn't Terry a weld inspector?

Used to be, he is no longer here.

Yes, he is no longer here, but he used to be a welding inspector.

Right. A2. So we are saying that A2 does not have documentation, but he went out to inspect the weld and he didn't have any rod slips; no rod slips were found; he needs the rod slips to stamp off, where he indicated the NR was here, he needs the rod slip information, the welder information, for those blocks so that is why he wrote the NR. Okay? Then, but, and then saying the NR was voided, I would say that was based on if you look here, A3, A4 as an example. There is an N/A. There is RI-195, no specific weld number is called out. Only that that applies to this ISK and this was the practice for some period of time for work that was done in the pad shop. They indicated that the ISK that was being worked out, but not specific welds and so that would tell me that when they say a rod slip located that it could be this one being dated 3/7, this one being dated 3/6, this one being dated 3/3, it could be any one of these three that was located and that was said with the idea that this work was done at that time.

How can you void this NR for weld A2 based on this paperwork?

Do any of those rod slips indicate that weld A2, there is no weld on any date, during any piece? There is no weld numbers on any of them.

There is weld numbers on the other two.

Well, here is C2. There is none here, and none here and there is none here.

Well, that is our question; how can you say a rod slip was found for that weld?

I see C1.

How can you say a rod slip was found? The girl who voided that is a clerk; did she do that at your direction? She didn't research these rod slips; who did?

I would say that they probably did, through the Welding Department down there, and made a rod slip search and this one was identified in the hanger so it wouldn't be that one, but it could be this one.

It could be, that is the point!

Then it could have been. . .

It could be, but is there any rod slip that indicates that there is a rod slip for weld A2 in that package that you are looking at now?

None that specifically say A2, no.

Okay, so how can they say rod slip located when there is no rod slip located for weld A2.

I am only making a guess to say that one of these showed up and it was taken to mean that this was done in the fact shop and when they didn't specify weld numbers. .

Why? Is that your understanding? Is that the standard that you work from as far as closing an NR or voided an NR?

I would say at this point in time right now, it looks like awful flakey and I am only making a guess on how it was closed out, how to void it, but that is a guess as to how it came about, not as to that being a standard practice or anything that way.

Also indicate that two of the attached weld slips are xeroxed copies. We have obtained the originals of those from Mr. Pucketts and the xerox copies are not identical with the original.

Whose writing is that right there on that rod slip identifying 195, is that your handwriting, printing?

No.

Whose is that? It also appears on the KE1. Right there. See, that's the same writing. Who made those entries? Who researched this NR and would make an entry on the isar? Is that your entry?



No.

Do you know whose it is?

Not by looking at it, no. I don't recognize the handwriting.

There is no initials with the change.

No.

It is this kind of thing of going back and getting the white copy of the weld slip. Certainly you and I both know that if you are going to do that the least you could do is xerox the same copy and put it in.

Right.

As you can see, not only are we going to get xerox copies, but the xerox copies are not identical to the original. 194 is crossed out, 194, quantities have been placed in amount of well drawing. Notations are made in the upper right hand corner indicating welds 195A3 and A4.

It appears to me that this copy was made from a different copy than the white one.

So, what you are saying is that this is not valid documentation that is in the files? Is that correct?

No, as far as validity, I don't know.

You just indicated that they are not the same.

Well, what I am getting at is that this copy was made from some other copy of the rod slip other than the white one and the reason I say it is that this has got quantity returned on it which is standard on the white one and would be put on there on the day that this rod was drawn out and this is filled out in the evening when the welder returns his camp.

Isn't this rod slip uniquely serialized? 139801 ?

Right.

But this copy doesn't have the same entries as this copy. Who changed it?

I have no idea?

The person resolving the NR?

I have no idea.

Who resolved the NR?

Sue Gotzick is a clerk that works under you.

Yes, but I would say someone besides her has done the research on these rod slips.

Who does the research on these rod slips? Mark Slanam or yourself or who?

One of them that has done alot of rod slips research for us is Mary.

Mary who?

Carr.

Mary Carr. Is that her handwriting on that document? You know these documents backwards and forwards.

No, I wouldn't say that it is her handwriting; I don't know if it is or not.

Let's get back to the original point. We still have weld A2, we don't know if weld A2 is even completed.

Yes, we have documentation right here, where the inspector stamped it off to show it is complete. What we don't have is a rod slip that specifically shows that can be uniquely identified to A2.

In addition, assuming this was a good weld slip, why was the NR voided, wouldn't the disposition, wouldn't this NR be dispositioned rather than voided? All the QA inspector said is that he needs a rod slip for A2. If you find a slip for rod A2, wouldn't this be dispositioned with document found rather than voided?

At the time and as long as I have been here, it has been company practice and you don't find it now in our QA and it says that one reason for voiding an NR says that work is accomplished before the NR was put through the disposition cycle and so to take this NR and give it a red one for a new disposition, because this is disposition cut it out, so to take the NR and give it a new disposition that would say find the rod slip would be putting it back through the cycle.

It should have been reworked, shouldn't it?

Well, according to the NR the way it is dispositioned, . . .Right.

When Sue Gotsick voided this NR; who would tell Sue to void it? You.

Probably I did. I don't remember that far back. Each individual NR.

I know you don't.

But Sue Gotzick did void that.

But it was based on, at the time, some piece of information that. . .

Was it your job to review these NRs prior to voiding it.

Sure.

And to make sure they were proper, and when you did void them, you had to do something to tell Sue the rod slip was located. Did you search this package for the rod slip?

At the time, I would say that I was based on company policy and the ones that were found in the rod jacket in the Fab shop. We didn't identify weld numbers.

Okay, you are saying that hangers and correct me if I am wrong. Hangers fabricated in the Fab shop, all the hangers, at the time this NR was written did not require. . .

No, this is not a hanger weld.

What is it?

This is a pipe fitting weld.

A pipe fitting weld. You are saying that those welds that were fabricated in the Fab shop did not require traceability at this time, it was company policy?

They had traceability by saying this, not this one because it was identified to the hanger, but a rod slip like this identifies this welder did use this rod to weld on this ISK which gives it traceability for this.

So you are saying a dozen rod slips equals a dozen welds on the ISK and that is Ok? Without identifying the individual weld on the rod slip. Is that what you are saying?

This is what took place at that period of time.

That is what happened.

So that you have a package now. I know that, but if you have a packet of twelve rod slips and all they say is R1195 and you have twelve rod slips and there is twelve welds in that system, it's okay.

That was the practice at that time.

How long did this practice occur? How many years?

I would have to look at the paperwork; I don't know.

Guess. Give me a time frame by month and year that you are aware of.

It was going on as far as I know before I came here.

When did you come on site?

In July, 1975.

July, 1975, and when did it stop?

I think around the time when we had our telephone survey.

Phone survey, which was when? What month and year?

April or May of 1979.

April or May of 1979. Okay. Any questions, Al?

One very pointed question. This kind of thing. . .

I am not saying that this happens 100 percent at every rod and rod was that way during that period of time. But it depends on the

We can say that because. . .

It depends upon the welder that made them out, as to whether he put down weld numbers or not.

But the QA did not check that to make sure every number on every weld matched what was on the rod slip. The QA inspectors did not check that.

No.

This is NR, No. 1777 we are looking at. This kind of thing where you need a rod slip has become the practice, you go to the packet and get a weld slip,

The inspector, when he is inspecting this package fixed up the yellow copies and like in the case of the NR here where they don't have rod slips to identify that is identified to the welds, the Welding Department, whoever took it, has

another file. The rod slip, when it is made out, is in several copies of different colors and getting back to this one made from a copy other than that original, there is a blue copy, there is a pink copy, there is a yellow copy and a lighter yellow copy than this and this one could have been made from any one of those copies that was around at that time. But, Puckett in Welding has the most complete file other than what is picked up by QA. So, if we are missing one, it is the practice to go over there through his file and see if one that didn't, for any reason didn't end up in the package for that weld, if there is another copy available somewhere.

Floyd, are there any blanks to be signed that you need a weld slip that they are being filled in?

No, that has been followed up and has been searched and pretty thoroughly investigated and I would say, no, it is not applicable.

Have you ever got a weld slip and gone through that procedure?

I have that in the back of my mind and when I get a rod slip. . .

You are not answering my question; have you done it?

Have I ever gotten one?

Yes.



No, but I have looked for one.

Now, before we start, you say it was company policy to do this. Who promulgated this policy?

This would come from management. It was who was here at the time because when I first came here Bill Friedberg was the manager and after that it was Bob Turner and after that it was Bob Barton and so when I say management, it was whoever who happened to be in that position at the time.

The next one we are looking at, Floyd, is nonconformance report numbers with just control numbers assigned and here is there report for No. 55, 56, 57, and 58 written by Inspector Joe Mills. Here is the log book page, to cover the fact that there is an entry in there void and are not issued. Okay? See that?

Yes.

Look at those NRs and it says see corrective action report No. 8. What are these NRs talking about? Would you look at these four NRs and tell us what it is they are identifying?

Well, it would deal with DG hangers and sufficiency on the welding.

It says in the log, void and says see corrective action report No. 8.

Right.

Is that the reason it is being voided?

That is the reason that 4954 was voided. This has nothing to do with the rest of them?

What about 55, 56, and 57? Here is corrective action report no. 8. What does that address?

Lamination in the beam on structural steel.

In what room? Can't tell?

From this I can't tell, no.

Does this deal with anything in the diesel generator room? Welding efficiencies?

I don't think the two even tie together.

Okay, then how can it be voided according to corrective action report no. 8?

Where is NR 4954? I don't have 4954 in here.

What have we got, 55?

Yes. They are all written by Mills. No, 4954 was a different initial; that wasn't written by me. It was written by Jim. So, this is a totally different NR and has nothing to do with these others that was written by Mills and this CAR No. 8 would have nothing to do with them.

What does 4954 deal with?

Structural steel.

Does the corrective action report deal with that? Bypass the whole point?

It deals with, yes, because corrective action says that it is to refer to MT if the activated areas are not performed which would be a whole point.

Here is a log book that says 4944 to see corrective action report no. 8.

Right, now that was, if I remember right, two NRs that dealt with the same thing, they had voided them both and the instructions from the manager that they are tied together and that they are the same item and reference them both to the CAR and void them.

Okay. Here is 4954. It says see corrective action report No. 8. Why was Mill's NRs 4954-59 voided? They are not even voided; they are just returned to him on his desk. See these are all the copies. Are these all the copies to the NR? The gold, green, pink, and white? They are all returned to him.

Can you tell me why they were returned to him without a void stamp on them and why they are not in the system?

I would say this entry was put in here when I gave the NR clerk instructions was that if we have a control number given out and the NR doesn't get into us over several days time to contact, that is the reason for putting the person's initials down so we can contact that person and say who is DG? That means diesel generator.

Who's handwriting does that belong?

I would say it is probably Cathy.

Why weren't these entered in the system?

I have no idea.

They are identified defects.

I have no idea.

Why did they end up on the inspector's desk?

I have no idea.

Okay. Did Mr. Giddings return these?

I couldn't say. I filled out. . .

But you did . . .

No, and I told the NR clerk that we get the initials of the person that wrote it so that if after several days the NR doesn't come in, we can go back and check on it and see and so I would say she made a telephone call out to the inspector and was told those NRs are not being issued and that is when she put the entry in the log and that they were said not issued to show that we are not still looking for an NR, so we have accounted for that control number and not looking for one that may have gotten in the review cycle or something that way.

You say she probably called the inspector about it?

Yes. To say they are not being issued, or for whatever reason. What the reason is and in this case, I have no idea how they got back to the inspector or why or anything that way; I have no idea.

This CAR deals with bypassing a hole point. That was the disposition. What is the proper disposition for bypassing a hole point. Why didn't it go through the Material Review Board? Why was it voided? Is there anywhere in your procedure that says you can void it because it is put on a corrective action report on NR Control No. 4954?

That was done on direction of management, at that time it would have either been Ron Gardner or Giddings.

The correction action report is addressed to Marshall and it is signed by Giddings, so it would have been Giddings.

Mr. Knox approved the CAR; it is Knox who would have given the instructions.

Is there anywhere in your procedures that say you can disposition an NR on a corrective action report? In the Kaiser nonconformance procedure that was in effect at the time. Is there anywhere that said you could disposition an NR with a disposition of see corrective action report?

In the procedure it says that. . .

I have read the procedure.

The procedural violations will be handled on a CAR.

It says you can either accept, rework, . . . it says you can void it only if it is written in error. Isn't that true?

That is one of the reasons.

Is this written in error?

You could void it if it is written in error or a duplicate.

Is this a duplicate or written in error?

From one standpoint you could say it is written in error because it is a procedural violation and procedure violations would be handled on a CAR and this, I am sure, is the line of thinking that management used when they set to transfer that from an NR over to a CAR.

Then it is a procedural violation?

You are missing the whole point. It is a procedural violation.

There is no requirement for them to go back and reinspect that they are missing a hole point or to do any corrective action for missing a whole point?

That depends upon the circumstance.

What is the term hole point mean in your procedures?

That is an inspection point.

I mean, what does it mean as far as the inspection point. Does that mean that you can bypass it?

No, that is why it is documented, that it did get bypassed and then after it was a documented on an NR. . .

On a deficiency it says here, it is a hardware problem, identified. . .3/8 inch . . .plate to beam No. 17 was tacked and loaded to the final stage and bypassing the first three QA hole points. And what is the corrective action? How is that corrected? According to the nonconformance report, it was voided and put on a corrective action request.

A corrective action request to get the superintendent to get to these people so you don't go any more hole points, or don't bypass a hole point.

How can you pass a weld without QA coverage? What was done to correct the deficiency itself? The hardware, where the QA hole point was bypassed?

CAR talks about future actions to prevent it from recurring, but what about this particular. . .was this weld cut out and reworked?

Right at the moment. . .

I know it wasn't, because the NR is voided.

Well, it may have been done on some other. . .

There is no indication of that on any of these documents.

Well, that's why I say right now that I couldn't say because there is nothing here to indicate that.



You are saying that it is a procedural violation. That is not a procedural violation; that is a hardware violation; you bypass the hole point; you did not verify the setup, you did not verify the heat number on the K2 to the K1 point. How can that not be a hardware point? How can that be a procedural violation when he is dealing with hardware?

It can be a procedural violation, but it still involves hardware and we are concerned about the hardware. We have no records, according to this, you have no record to show who the loader was, because the inspector obviously did not verify it, because it says right on the nonconformance report that it was bypassed, that this hole point was bypassed.

Your procedure says that you will not write an NR for a procedural violation?

That's right.

That's what your procedure says?

Floyd, this indicates that you voided the NR?

Right.

Not this one in particular, but are you authorized to void NRs, or should that be an engineering task?

Let's say I inherited the job of controlling which includes voiding, NRs at the time that I have come into this position back in 1976 and at one time the

question was raised am I an engineer? And my manager, Baumgartner, at the time and said yes, I am classified as an engineer and these NRs were voided with, you might say, my knowledge and approval.

Is that in writing anywhere?

That I am an engineer?

That you are authorized to void NRs?

The procedure didn't specify up until one of the last revisions and it was changed and then it was stated in there that it should be the QC manager but prior to that, it didn't specify.

So you have been authorized to void NRs?

Right.

You were given that authority by Mr. Baumgartner to void NRs?

I was given the authority by Mr. Frederick when I first come into this position and that has carried through to subsequent managers.

You take it upon yourself to void NRs?

I haven't voided any NR that I haven't discussed with other parties and we were in agreement that yes, the NR can be voided.

Who are those other parties?

Well, that depends on the NR and it might be the inspector; it might be the field engineer; it might be a QE, it might be a QA manager, depending on the situation; each is different.

So you don't have to go to the QA manager in order to void it. You can void it on your own based on discussions with lower level people?

Up until the time the procedure was changed.

Understood. But you don't have to go to your supervisors in order to void it?

No.

Did you maintain any documentation as to the discussions with other people?

What was the question?

In your discussions with these other people, you didn't document anywhere or attach anything to any of the NRs saying that you discussed this with them or any engineers or anything like that to that extent when you did void these or is it just verbal?

Being a Monday morning quarterback and using hindsight, I can see what you are saying, it would have been a real good idea and should have been done, but no, it was not. It would have made explaining things alot better in that, maybe

not so much on this one but some of the other ones if there was more of an explanation put on there. They would be alot easier to track down.

This is one in particular in which we are interested it. We will give you a few minutes to read it, it is NR 2836 which we know there was alot of discussion about and we will give you a minute or so here to read the deficiency. This is for a missing radiograph for a weld.

Now that one was apparently voided twice and then closed out.

It was voided twice, period and was closed and then voided and then voided again by you, the second voiding.

No.

There is a Rev. 1 on the next page.

We will given you a minute to read just what it says.

The NR was written and instead of the A&I approving it, the A&L rejected the disposition and at that time the NR was voided and said see Rev. 1 for new disposition.

Okay.

The Rev. 1 was written and due to whatever circumstances, the A&I came back and had said he had changed his position and he was able to accept the disposition, so that is when the . . .

Can you tell us what the disposition is there? Look at the Rev. 1, what does the Rev. 1 say?

The disposition said that the weld had been radiographed and some time after that, the film baggage had gotten lost.

Okay. Rev. 1 is voided and says written in error. NR resolved upon the original issue. And that's your signature. Right?

Yes.

Dated 11/11/80. Okay, we will go back here. . .

And that is when you come back here and it says this is when it was signed by the A&L and dated 11/11/80 saying that he had changed his position and would accept this disposition and so then this Rev. 1 there was no need to process this for a different disposition and so it was closed out on this NR and the closed stamp was placed on it 11/13 which is two days later.

Okay. Let me read you the discrepancy. It says that during an NES audit, weld WS737 was found not to have a radiograph taken of the final weld. The only film available is the information shot of the root later. Subject well is buried underground. Okay, and do you know if there is a final radiograph of this well that exists? That's a duplicate of the one before.

By looking at this reader sheet, I would say that this is a copy of the reader sheet that goes with the final radiograph.

Couldn't be the one for the preliminary one on the root layer? The reading sheet for the root layer?

I can't right this minute say definite, but the practice was, or as far as I know, if it is a root shoot, it is identified as a root shot and only for one reason and the other reason, the A&I only reviews a final and wouldn't review an information short on the root. So, for those two things, it would kind of indicate to me that this is for a final, although it is not positively identified as such on here.

But do you know if there exists any radiographs for a final weld? Has anybody told you that there are radiographs that do exist for that final weld?

Nothing other than what it says on the NR performance.

Okay, in other words, you base your voiding of this NR entirely on. . .

That NR is not voided.

The second one is.

The Rev. 1 is voided.

The Rev. 1 is voided saying that the problem was resolved on the original NR, that there was no need to write the Rev. 1 and the problem and discrepancy as resolved on the original NR and film or lack thereof was dispositioned on the nonconformance and accepted by the Material and Review Board.

But, there are no signatures from the Material Review Board on here.

There should be another copy of that NR that does have the Material Review Board's signatures.

No way, it did not go before the Material Review Board, that's the exact copies we got out of your file. Because it was voided, it didn't go to a Material Review Board, you know that.

The A&I is the last one to sign it.

Not in this case.

The A&L signs. . .

Not in this case, the A&L would show that film.

The A&I is the last one to sign on the Review Board. And, we got into a contest about this on another NR.

Well, where are the other signatures on this.

They would be on another copy of that NR. It should be with that package.

Okay, we should request that you locate that.

Even if there were another copy, why would the AMI sign on this copy? Why wouldn't he sign on that other copy that had the signatures.

Well, we have had that problem all along. The NR is telexed to S&M in Chicago and it comes back with their signature on it on a telex signature, a telex copy comes back from Chicago with a telex signature.

We are going to pull the original.

The original is then put with this telex copy and so now this gives you two copies and as it goes through the signature wheel sometimes they will sign one copy, sometimes they will sign the other and at some later date we get in the mail a copy with an original signature on it from S&M.

Let's get your copy of the 2836 and see if it has been reviewed by the Material Review Board. Can you go and get this for us out there?

I think it would be better to look at in the file copy.

Our copy? Okay. Let's go get it.

A receipt may have been missed in running these copies.

Did you find it?

No, I think it was considered as a closed NR and that is why it is not included in the bunch that was impounded as voided.



Okay, Floyd, let me ask you this. Who told you that this nonconformance report could be voided? Who instructed you to void it?

I did that one myself.

Okay, on the basis of what information?

On the basis that the AMI had changed his stand in saying that he was no longer rejecting the disposition and that he would accept the disposition on that.

Did you verify this with any of your people?

Only in talking with the AMI that he would accept the disposition on that NR so it was a case of this NR had just been written and had not been gotten into the disposition and the signature on that and. . .

Should you accept that a disposition be reviewed by the Material Review Board?

Yes.

This NR should have then been reviewed by the Material Review Board?

And was.

And you are saying it was?

Yes.

And then when we look at the original NR we will find the signatures on it of the Material Review Board reviewing it.

Yes, I am sure you will find signatures on another copy.

I've got one more question. The original inspector that wrote this up said that this radiograph, that the EAS audit said this WS737 could not be found anywhere. Did they find the radiograph?

From the disposition on there I would say no.

So, how could you void the NR if the discrepancy was not corrected?

The NR was dispositioned by the engineer saying by going back through Peabody's records, who was the radiograph contractor, by going back through his records, found a copy of the reader sheet which this copy was made from. And, saying that this was evidence that that well had been radiographed and accepted by these people and the Material Review Board accepted that disposition.

Okay. Now, I point this out to you. On the disposition it says the KE1 form for Weld WS737 shows that the final well was radiographed and accepted by Kiser Inde Level E on 4/5/76. That is the KE1 form. The KE1 form also shows that film was read and accepted by cite E&L, that is the authorized nuclear

inspector, for on 4/15/76, a copy of radiograph report showing acceptance by Viby Magnaflux is also on file with the KE1. Okay, if you look at the KE1 form, right here. Now, if you will note the authorized inspector did sign on 4/15/76. Kaiser signed it off in 3/31/76. Now, I reviewed the film that is in your documentation control, the film that is available. The film that was available is not the final well.

No, that is what the NR says.

Okay, also, in reviewing that film, I compared the dates on the film to the dates on this radiograph report which is referenced in the disposition, the date of the preliminary radiograph was on 3/31/76, on the film. That means that this reader sheet is for that film. In addition, this reader sheet does not indicate any size chromtrometer was used which is in fact what is on the film. These are not coradiographs; these are preliminary radiographs used for information only, just as stated and this reader sheet is in this very same reader sheet with the authorized inspector's date that is with that film, which is just a preliminary film. The dates match and everything. So what would that say to you? Do you think this is dispositioned correctly?

No, based on what you just told me, no. But, the party that dispositioned it and I have no control over the party that dispositioned it or the Material Review Board.

You told us that you dispositioned this.

No.

You said you voided it.

I voided the Rev. 1 based on this disposition.

Okay, on the disposition being accepted by the review board. Was there any discussion between you and Arch Lanham that this weld did not have a radiograph; it would have to be dug out. Did Lanham ever talk to you about that?

Oh, I am sure there was many. . .

Did Bob Marshall let you dig it out?

I don't recall anything like that, but I am sure there was much discussion on this one and same as any other.

What was the discussion? Do you remember any of the discussions on this one?

Not specifically, no.

Okay, anything else?

Why are you sure there would be much discussion on that one?

That was brought about as a result of an audit, so there would have been discussion in answering the audit and that way, it would have made more of a discussion on that than an NR just written out in the field for a deficiency.

There would be a group of people getting together to discussing the audit findings?

Yes, what was required of the audit.

What kind of people would be involved to reply to the audit besides yourself. Who else would be involved?

I wasn't personally involved in answering audits, it would be the weld engineer who wrote the NR who probably wanted to be involved in the audit.

Does Mr. Lanham?

No. Rex Baker.

Did you ever consult Rex Baker in regard to this nonconformance report?

I think if you will find that there is probably a Rex Baker signature right here saying that he agreed with the disposition. When you find the other copy with the signatures.

Okay, we have not yet seen a copy. This all we have.

We have a question here on this one. NR No. 2237. You have got a weld rod slip for GPWR218. Does this identify the weld on the slips here? Weld No. 218. Here is the NR. It doesn't say GP, does it, it just says 218.

What was done here to resolve or void this NR. Tell us in your own words what you have done to resolve it.

This NR was written by the Inspector in the field saying he didn't have a rod slip.

He had no proof of a rod slip, welder's qualification or filler material, material for weld 218GP. Right?

Yes. This information is all on the rod slip. A subsequent rod slip search come up with this rod slip which is 4GPWR218.

How come he calls it 218GP?

Different people write it different ways. Same system.

Okay, so what you are saying is he took this rod slip, correct, and reconstructed a KE1 form from that slip, is that true?

I am saying this rod slip identified as GPWR218 for that weld was located and that provided the information as it says here, rod slip found, which gives the information for this weld.

Is this the original KE1 form that was issued at time of the weld was made?

There is normally a hard copy weld paper issued.

Is this a copy of that, the hard copy?

This would be a copy from the flimsy that we have in our book.

But is this the one that was actually filled out in the field?

I would say so, yes.

How could it be filled out in the field. . .

No, I mean at the time of the weld, when the weld was performed as they specify right here, at the time the weld was performed.

At the time and at the time the weld was performed, I would say there was not a weld paper filled out.

Who made these entries on this slip?

Why wasn't there a weld paper filled out?

Well, for two reasons. Probably if the inspector had been there at the time the well was made, he would have had the rod slip and he would have also had the original KE1, yes, and the rod slip and so the copy of the rod slip that the inspector when he went out to inspect it the copy of the rod slip that he was looking for was attached to the original KE1 which was lost.

Okay, so you have got lost documentation and rework was ordered. By, who is this fellow here?

Marty Feltner. He was the construction engineer, piping engineer at the time.

Construction told you, rework it. You show up with a rod slip and you say it is void. The inspector said there is no KE1 form.

No, he doesn't say there is no KE1 form.

He says there are no rod slips, no traceability of welder's ID, qualifications, filler material or heat numbers.

Right.

A welder qualification, when you get to the rod verification that this qualified welder did that well.

When you get to this rod slip it shows that this welder drew the rod out to do that weld and that gives him. . .

Okay, hold it right there, right now. This rod slip is filled out by who?

Partially by the welder, partially by his foreman, partially by the rod check.



Okay, is there an inspector involved there?

No.

Is that an adequate QA document there?

A rod slip is not, I don't know how to put it, a control for a record. It is only a control document; it is not a record document.

Does the QC inspector make entries on rod slips.

No.

He makes them on KEI forms, right?

Right.

He verifies welder's ID, qualification of the welder and filler material. How can you verify it based on the piece of paper from two years that that's what went into that weld? You are not doing a visual inspection of the weld.

Right, am I right or wrong?

No, you are not making a visual inspection of the weld, no.

So, how can you sit there and say who filled out this KEI form. Who made the entries on this KEI form that say NA?

I would say those NAs are initialed by A. C. B which would be Tony Ballen who was the weld and engineer at that time.

Okay, originally, on the flimsy, those first three points which include verifying proper weld procedure, welder's qualification, proper code material, proper backing ring and insert, okay, Number 2 says verify proper ventels, details for clearance, damage, verify mark numbers and three says verify proper fitup, inspect tack welds. Those three were x'ed as required by the QA engineer. Alright, because that was the KE1 form was lost, we do not know if these were actually performed, these items were actually witnessed or inspected by the inspector. Is that correct?

The weld and the engineer at a later date came back and n/a'ed them saying it wasn't required.

He decided at a later date, after this weld has been completed that these items weren't required.

Well, I don't know if it was after or before, whatever, he didn't date his entry here so I don't know if it was before or after or whatever, but at some point in time.

Whenever you make an entry on a QA document like this, don't you normally initial and date it? Isn't that the required procedure?

Yes.

In other words, he violated procedure there, first of all. Okay, the date of the final weld pass on here dated by a QA inspector No. 111, is 2/13/80, is that right?

That was the date that he inspected it, not necessarily the date that the weld was made.

Okay, on the date of the W2 issue slip is 5/23/77, that is three years later that they inspected this weld.

That is possible.

Okay, but there is no entries on the inspection to verify what the nonconformance No. 2237 is concerned about.

Well, 2237 is concerned with not having this rod slip so that they could verify. . .

Not only the rod slip, but also says the following welds have no rod slips common, no traceability on the welder's ID, qualifications, filler material or heat numbers. So he is not just saying rod slips, he is saying

But that information all comes on the rod slip.

That's okay, that's very fine. Are you saying that this weld was performed on 11/23/79? When he wrote this nonconformance report?

No, I am saying the weld was made back in 1977 when the rod slip was dated. And the inspector went out and in 1979 when the NR was written originally.

Is it common practice for your inspectors to take a rod slip two years later and fill out the KE1 form?

I wouldn't say it is common practice, but it has been done.

It has been done? They verified these items from the rod slip.

No, there is in this case, there is N/A there, so they didn't verify those items from the rod slips but those got as far. . .

But it has been done this way.

Well, as far as the . . . it cannot be verified that way, as far as the heat number of the rod that was issued for that weld. The traceability of that heat number, the identification of the welder that did it and that identification determined that the welder was qualified.

Okay, you are telling me that the KE2 form is a working document for quality, to assure the quality of the product, that even though the inspector did not verify these heat numbers himself, other than materials entered, he did not verify that this was actually the welder that performed the welds, or this particular weld number, is that true?

Only from that rod slip being issued to make that weld. It was verified.

What do your procedures say on the KE1 form that the inspectors, how does he go about verifying these first three items on the KE1 form?

Normally, he does it at the time he inspects the fitup.

At the time before the weld is performed and during the weld, right?

Right.

Okay, so how can you void this NR?

Based on the fact that the rod slip was found.

Okay, you are saying that based on the fact that rod slip is found, that is a viable, QA document that you can go back and reconstruct a KE1 form from a rod slip. You can take a KE2 form and reconstruct a KE1 form and that is an acceptable QA document. Is that correct? Yes or No?

No.

Well that is what you are saying you did.

No.

Okay, how did you verify these welds and traceability on welder's ID? That is the KE2 form, that is not the KE1 form. I just said that you couldn't do that.

I said that this here isn't used totally to verify this. This was n/a'ed on this form so this wasn't verified. The weld NE engineer told me, at that time, na'ed that out said it wasn't required to verify that for this specific weld.

Okay, you based it on his. . .So that is Tony Pallen's initials there.

Yes.

Okay, that's enough of that.

I have some general questions to ask about NRs, Floyd. After ECS's inspection, why did the voiding continue; why did the voiding become so widespread in November in December and January of 1980 and 1981?

I don't know that it became. . .

If you look at the log books, you will see that it was quite extensive during that period. Here is a page out of the log book.

I don't know if it was more extensive during that period of time. Maybe because there was more order during that period of time.

After ECM's inspection, the procedure was changed so that only the QA manager could void an NR. Is that true? And only if it was written in error. Correct me if I am wrong. That what's you said a minute ago, now what is it?

Well, we specified in the procedure like it says, duplication, it gives two or three reasons, there.

Right, but only the QA manager can do it.

Right.

And that was done after Mr. E.C. Ian's inspection in October of 1980.

I think it was done later than that, the Board of Procedures have actually changed.

I am showing you some NRs from 11/6/80. NR No. 5205, There is a red void stamp on it. Who is the man that voided that NR?

Chuck Burgess.

Is he the QA manager?

No.

Okay, that's all I ask.

We have an example of some NRs that were never entered in the system. Do you want to cover that in your stuff.

Let's take a break for lunch.

I have a question on this?

Did you ever change a page on the log book?

No, the only time a page was changed in the log book is when Tom Daniels got a xerox copy and he put a xerox copy in there and Tom Daniels got the original.

Did you ever whiteout a page in the log book and whiteout the location of an NR?

No.

I am showing you a page from the log book? Entry No. 5412. It shows NR 2996, welds with lack of penetration. The original page which is in the envelope has whiteout on it. Did you whiteout that entry?

No.

You never whited out an entry in the log book or whited out the control number in the log book?



No.

Has Mr. Giddings ever done that?

Not that I am aware of.

Okay.

Anybody else that works for you do that?

If it was done, it was probably done by a clerk.

Are you ever aware of an NR not being entered in the system?

No.

Every NR that was written by an inspector was entered into this system?

There was NRs that didn't get into the system because they were, an inspector can call in for a control number and if it enters the approval cycle, which is his supervisor and a disciplined QV reviews it before they come in. . .

Why did you people void inspection reports if they were not written in error?  
An inspector identifies a defect in a weld and you put on this one particular NR, will be reinspected after redesign and I will show you the NR as an example.

You will find that on several NRs.

I know and that is why I am saying, why is it put in there, will be reinspected after redesign and signed by Giddings or yourself, or someone. Why did you void it, why didn't you disposition it and send it to the Material Review Board?

This was done at Gidding's direction and it was done at the time that the word came out that all hangers were being reevaluated and would be 100 percent reinspection and so people in management, getting back to the old bean count, said, well, those hangers, some of them will be moved and some will be totally redesigned and lots of things could happen in this.

The procedure said that the NR will be voided if it is a duplication or if it is written in error. Were those reports duplications or written in error?

That part of the procedure was put in after when the procedure was changed; the procedure didn't read that way previously.

What did it read previously?

It didn't specify.

You could do anything you want. You could void any NR you wanted to.

Well, based on good judgement and knowledge and things that way.

It didn't lay out any specific criteria.

It didn't spell out specific criteria, no.

And anybody could do it?

More or less, yes. I inherited the job only by inheriting the position, but with no restrictions that had come down to me or to any specific party.

Were all these hangers later going to be redesigned?

All hangers are in the process of being analyzed and redesigned in 100 percent reinspection in all the hangers and at the time that these NRs were voided, to make the bean count look good, they were treated as a closed NR from the standpoint of distribution. The inspector that wrote the NR originally was on distribution to get a copy of it so that he could put it in his file, a tickler when he goes out to reinspect again.

What about this; on NR #2466, it identifies defective hangers in the diesel generator room, large four flight hangers. The notation is each hanger listed will be issued on a separate NR and it lists 124 hangers. I don't know who signed it. Our review showed that of the 225 hangers, only 99 have still not been put on a separate NR. The date of this NR, No. 2466 is 1/3 of 80, that is a year and four months ago. Why haven't those NRs been issued on a separate NR as you said in your initial void?

I didn't.

Who said that?

It looks like Rex Baker's signature.

Okay, Rex Baker said that; who would be responsible for writing up those NRs?

At that time, Rex Baker was the engineer and also the inspection supervisor and I would take it that as these hangers were inspected, the NR would be issued.

They were already inspected.

So, I guess you would have to talk to Rex on that as to why or whatever, those NRs, what happened to the other NRs, I don't know.

Okay.

I wasn't involved in that one.

That it?

Let me get the nonconformance material report logs here. The closed and the open ones. This situation that we started talking a little bit about yesterday informally, we found a number of situations where the control was issued to on a nonconformance report, no nonconformance report number was issued, as in

addition to a red notation that it was void, it was also stamped that said Inspection Report. In detail, what is an Inspection Report.

An Inspection Report is a nonconformance, or is written on a nonconformance form by receiving inspection when it comes over to our NR controller and she takes it to the engineer to get a disposition on it. If the disposition is reject, return to vendor, it comes back from construction engineering with that disposition on it instead of issuing it a control number, she stamps it Inspection Report and sends it out as a log inspection report. They are handled on the control number only and this has been the procedure since I have been here. That is the way they are to be handled and these entries you are talking about here, I looked into that for my own information.

Since we talked yesterday?

Since we talked yesterday, I looked into that first thing this morning, got these books and studied through and in going through there and seeing the entries, I called the NR, Cathy over there, who is has been taking care of these matters and she is as much at loss to explain it as I am. I accused her of making a mistake in stamping something that shouldn't have been stamped an inspection report and she said she didn't do it and she doesn't know who did, and I don't either.

You're the supervisor in here and you are responsible for these logs?

I was here one day, Floyd, and this thing popped off the page to me. It is clear to me that when we turned up approximately 72 NRs that were related to

quality assurance problems in this plant. Are you saying that you were not aware that these things were in the log?

Right.

That you have never seen them?

I haven't seen them, no. I don't see each and every piece of paper that goes into the logs.

Are you indicating that on your log, that you have not made these notations marked, for example, on this page here, this noted Inspection Report?

I didn't and I was told by the girl that is assigned to take care of the log, that she did it and I have every reason to believe her.

This log is under your control, isn't it, Floyd?

But this log is not; the NRs themselves are locked up in the cabinet; but this log has not been so this log is available on all shift hours; there are people that have to be here.

I am going to show you control number 5357 on a nonconformance report. I would like to have you examine it and tell me what you make of it.

I would say that this NR was written by the hanger inspectors who had brought in and was reviewed by Rex Baker, the Inspection Supervisors, and was brought

in and was given to the QA managers and he is the one who applied this void stamp and put the notes on here, Mr. Gidding signed it; it appears to be his writing and he is in control of the void stamp and I would say that he is the one that is also responsible for putting the inspection report stamp on there. But, not having seen this being done, I would say that is only a guess.

Alright, there is also the notation that it was voided out in the log. Your secretary has identified that handwriting as hers. Have you ever received telephone calls or did you instruct your secretary to void out that particular NR control number?

She would make the entry in here based on that.

She said she does not recall seeing this. How does she get notification to void that NR.

Only off of that piece of paper.

She did not see this piece of paper, Floyd.

Then I don't know how she did it.

Are you getting telephone calls from Mr. Giddings to void particular control numbers?

No.

Those NRs, I would say, was handled by Mr. Giddings.

Somebody has to alert your clerk to make the entry.

She may have been given a list of numbers.

From who?

From Giddings, based on putting these notes on these NRs, something that way that she would close out those specific ones if she didn't see the individual NRs, she made have had a list of control numbers saying to mark them void. It may be have been given to her from Giddings to do it, but I have not seen them and have had nothing to do with them.

Look at control No. 5354 and tell me what you make of that.

Same condition as the other one.

Does it relate to warehouse purchasing?

No. It relates to work being done in the field and it should not be an inspection report.

How do those inspection report stamps get on those forms?

Normally, the NR controller puts them on there. And, when I questioned her about it this morning, she is well aware of which ones get the inspection report stamp and which ones don't.



You showed her these particular forms and she says she has not put that inspection report stamp either on that NR or on the log book? And she made the void entry here, the inspection report stamp was already on the log book. It was put on there by someone else.

They are probably the same party that put that on here, probably at the same time.

Who is that?

I don't know.

What reason would anyone have for putting inspection report on something that is not an inspection report? What purpose would it serve?

Your guess is as good as mine. I don't know.

Here is control No. 5353.

The same thing.

Here is control Number 5350.

Same type of situation.

Does it relate to warehousing purchasing?

No.

What does it relate to?

Work being done in the field, hanger work.

This one, the voiding on this form, control No. 5230 is signed by Mr. Giddings, right?

Right.

The date of the signature is the 21st of January, 1981.

Right.

Your NR controller has identified this as her handwriting on the log book for control No. 5230. On the log book she wrote void, per P.S. Giddings, the date January 22, 1981. If she were reading off the NR that is voided there, I would imagine that she would copy the same date off there. How would she get a different date?

I would, now this is only an assumption, as I don't want to get people in trouble, but I would think that this was given to her to close out these control numbers in the book and this is the date that she did that which would be the date after this entry was made on here.

I realize that you are just making an assumption there, but in any case, and let's put this immediate one aside, did you ever give her a list of control numbers to void out?

No.

Did anyone every give her a list of control numbers to your knowledge to void out?

Not that I know of.

Does your NR controller have direct contact with Mr. Giddings?

Yes.

Mr. Giddings and the controller speak on the phone, or in person, or what?

Either one or both. At one time he was sitting in this room here, at that time he was sitting at that desk in this room right here and her desk being right outside the door, it could be verbal, it could be; I would think it would be more verbal than it would be on the phone since they were sitting just a few feet apart.

Would you be surprised if Mr. Giddings went to your NR controller and directed voiding of the control number without your knowledge? Would that surprise you given the structure of your office?

Not really, no. Since the procedure was changed and Mr. Giddings hadn't the void stamp, he would probably if he put a void stamp on it, he would probably give it directly to her and wouldn't. See, up until the time the procedure was changed, I had the void stamp so I put the void stamp on the NR. After

that time, the void stamp was turned over to him, and if he put a void stamp and her being sitting right outside the door, I may have been out of the office at the time, you know all he has to do is call her in here or poke his head out and say void that control number. Or he may have given her a list of numbers on maybe just a scrap piece of paper and say void these out.

Does Mr. Giddings have an inspection report stamp?

No, but that inspection report stamp is laying on the NR controller's desk and I can get to it right this minute; it is not a controlled stamp, I'll put it that way.

In the nonconformance report such as these here, and they are stamped inspection report; let's assume they are legitimately inspection reports; they are, in fact, the materials received inspection and they are voided. Where would these be typically filed. What would your staff do with them in filing them?

They would be in the vault.

Now take the exact same situation, however, as in this case, with control number 5230, it is not really an inspection report. Let's image control number 5230 did not have the past inspection report on it and the log did not have inspection report stamped on it and it went through just as a straight nonconformance report, which in fact, it is, voided by Mr. Giddings, January 21, 1981. Where would that go if it didn't have an inspection report on it?

It would be treated like a closed NR and would get an entry like you see in here that says NR not issued and a closed date to account for that NR number and. . .

There is no NR number at this point; there is just a control number.

That entry would be put in there to show what happened to that control number; that it wasn't just lost in the mill somewhere.

Where would the piece of paper go?

If we had a copy, it would go to the vault. In most cases, where there is just a control number issued and the NR gets voided out before it is issued an NR number, it never gets in to us, so we don't see the NR and therefore we don't have a copy of the file. But if it did get into us, then we don't throw away anything, we put it in the vault.

Is there a file of voided NRs that are not stamped inspection reports that have control numbers, but no NR numbers?

It would be in the same file with those.

These were in the inspection report file.

Right and if there was it would be in that same file. All the ones that don't have NR numbers that were never issued an NR number are all filed together by control number in the vault. So it would be in the same file.

If you have a nonconformance report that has nothing to do with inspection reports, a straight field inspection by a QA inspector comes up with a nonconformance report, it is voided before an NR number is issued, you would file this with the inspection reports even though it is not an inspection report?

Only to have a place to put it. It doesn't have an NR number on it so where are you going to file it? It can be traced by the control number so it is put in that file if only to have a place in the vault to file it.

Has this always been the practice?

Since I have been here, yes.

Is that in the procedures?

You mean as to where they are filed?

Yes.

No. It has been the practice that we use since I have been here so that we know where to find them again.

Earlier this year, NRC representatives of the Office of Inspection Reports requested copies of all voided nonconformance reports and I understand there are two batches of voided NRs that were turned over and now are in NRC's custody. Were you aware of this voided nonconformance reports? How were you aware of them?

I was given the request.

It came from NRC to you directly?

Well, I think that's hard to prove, too.

To Phil Giddings, the QA Manager?

Right.

So presumably as far as you know, NRC made a request to Mr. Giddings or someone further up the line and came from Mr. Giddings to you that NRC wants these NRs. What exactly did Mr. Giddings ask you to do?

To pull all the voided NRs as quickly as we could and run a copy of them for our files and turn over the originals to NRC. Not remembering specific numbers, but we had three or four people down in the vault and this was on a Friday afternoon.

People under your direction?

Right. We went through, as quickly as I could, the file and pulled everything that had a void stamp on it and we had more people assigned to running copies of them, and myself and a couple of others came in here on Saturday morning and the ones that we had ran copies of on Friday we turned over to NRC on Friday evening and the other ones were locked up for the night. We came in on Saturday morning and finished running copies and I called Pat Guinn to come

out here and he got the rest of them, we had ran copies of them that morning and put them in the NRC control cabinet.

Okay, now as I understand it, after you made this turnover of nonconformance reports, it was discovered that there were additional nonconformance reports that NRC required which as I understand it, were the nonessential nonconformance reports and you put together a second package of nonconformance reports.

Yes, in the same manner of doing it; we ran a copy for our file in case we needed to refer back to them and then as soon as we had these copies ran we gave them the originals.

Why weren't these nonconformance reports turned over that were voided and filed in the Inspection Report file?

I guess you could say two reasons. I didn't know they were there for one reasons, and for another reason, not having an NR number they weren't considered as nonconformance.

You just told me that standard procedure since you have been here is that a voided nonconformance report that does not have an NR number assigned to it is filed in the Inspection Report file. You do that?

If it hasn't received an NR number it is not really considered as an NR. It is only considered as a report that was written by an Inspector and that formally became a nonconformance.



NRC asked for nonconformance reports that were voided. Now this one handful I have got in front of me, it is a company form, preprinted on the form says nonconformance report filled out by QC inspectors and countersigned by a couple of people up to the QA manager who voided it. To me, this looks like a nonconformance report that was voided. Doesn't it? The only thing this form doesn't have is a nonconformance report number. Are you saying this is not a nonconformance report?

I guess you could call it a voided inspection report.

A voided inspection report?

It's got inspection report stamped on there, but that is irregular and doesn't normally happen.

You just told us that NRs that don't get control numbers get stamped as IRs and filed in IRs and you called them NRs five minutes ago. Now you are calling them IRs again.

No, they are not normally stamped if they didn't come out of receiving inspection, they don't normally get the inspection report stamps.

That is not what you told us a minute ago; a minute ago you told us that an NR with just a control number was put in the IR file.

But it doesn't have the inspection report stamp on it. That place is blank.

Okay, there is one. What is this? Control Number 4374, nonconformance report form, stamped void. This was also located in the inspection report file, however this nonconformance report does not have an inspection report stamp on it.

Right, and that is the normal way that they would get in there; they wouldn't have that inspection report stamp on there unless they came out of receiving inspection.

What is that document? What would you call that?

A report that was written up in the field and voided by the Inspection Supervisor before it ever became a nonconformance.

It is not a nonconformance report?

It is a report that was written by an Inspector at the time he made an inspection, but it was not formally given a nonconformance report number.

Okay, I'll agree it was not given a nonconformance report number. But are you telling me this is not a voided nonconformance report?

I guess we are getting into a play on words here as to what's a nonconformance report and what isn't.

Perhaps we are; I just want to understand what you mean.

Floyd, does it relate to warehouse purchasing, or does it relate to construction in the field?

I would say it relates to construction in the field.

How do you normally record deficiencies?

They are normally written up on a nonconformance report form.

Floyd, you indicated that the justification that you are not aware of these forms, and we have gone over a number of them that you were not aware of their existence, you are not aware of this procedure being carried out, with the inspection stamp being applied to nonconformance report that had been issued a control number. Is that correct?

On these specific NRs, right.

I am going to show you control number 5035. Would you take a look at it please.

Now you find something to contradict my words.

Would you indicate whose signature, initials appear on that under the void stamp?

That's mine.

Would you indicate what is that on the top of it in the number block at the stamp and what it says?

It is stamped inspection report.

It is somewhat contradictory to your previous statement, isn't it Mr. Oltz?

Yes. I said you found one that contradicted what I said. I think that is the exception and not the rule.

Would you like to see another one? Floyd, let's not play games. You've been in here for an hour and we have been going round and round. Alright? We have found 72 nonconforming items that have been placed outside the mainstream of the normal filing system. We want to get down to the bottom of how they got there. Okay?

Yes.

Now, let's not get caught up in semantics.

I didn't think we were.

I am going to ask you again, were you aware that this procedure was being followed here? Floyd, wait a minute, before you answer the question, okay. We are not playing games here; this is serious business and let me tell you,

it is very serious, alright? We want to get to the bottom of how these 72 NRs wound up outside of the normal nonconforming reporting system. Are you aware that this procedure was going on?

The previous NRs that I was shown that had Mr. Giddings signature on them, that is the one that voided them, no, I didn't know that had happened on those NRs. Now, this specific NR, as it says here, rework for NRE 2789, that this is a duplicate type NR, and so this one was taken out of the system as a duplicate and was caught as a duplicate before it was issued an NR number.

It was voided as a duplicate, but why was inspection report stamped on it?

I would say it was probably an error on my part.

Are you aware that these things were being taken out of the normal file system, Floyd?

The NR. . .

Just answer my question. Were you aware that these were taken out of the normal filing system?

I would be aware that that one right there was put in with the inspection reports.

So are you changing your statement now?

No.

We refer you to control number 4954. Would you take a look at it, please. That was also included in the 72 nonconforming items that were in the inspection file.

Right.

Would you look at the signature that appears on there. Is that your initials?

Right.

Are you aware how that got into that file?

This NR not having an NR number at the top would normally be filed in with the inspection reports because is that the only method . . .

So you are aware that these things are going into the inspection reports, is that correct?

The ones that are closed out that don't have, like I said earlier, if they get into us, if we have a copy, we put it into the vault and the only method we have to track them is through this control number.

Where do you put them in the vault?

In with the inspection reports.

So now you are saying that you are aware that they go into the inspection report file?

These NRs, yes. The ones we were talking about earlier, that had Mr. Giddings void on them, I wasn't aware that they had been voided and put in that file.

I want to show you control number 4859. Examine it and are those your initials that appear on that?

Yes.

Is it stamped at the top?

I would say that was a case of again error on either my part of the part of the NR girl that would have put that stamp up there and it shouldn't be there.

Did you direct that to be filed in the inspection report file?

This specific NR, well I guess I would have to say yes because the instructions are to personnel doing the filing is if they don't have NR number on them they are to be filed in with the inspection reports so that we have a method of tracking them.

Floyd, calm down, take it easy. Would you tell me, in very simple terms, were you aware that there was an inspection report file where nonconforming items

that were put on a nonconformance report by QA inspectors after having been issued a control number and subsequently did not receive an NR number, were placed in the inspection report file?

Yes.

So you are aware of it?

We have to talk specific NRs, I am aware that this was going on, but specific NR numbers when we started out talking here, those specific NRs I wasn't, but I was aware . . .

So I am asking now, I am asking again, and I am asking what I asked before, and I want you to answer the questions as they are asked. What was your understanding why this file was maintained?

To have a place to file the reports in the vault.

Why were they not properly voided and put in with the other nonconformance reports?

The only reason being, in the vault where they are filed, the inspection reports are filed by control number. The NRs are filed sequentially by the NR number and so if you put one in the file that only has a control number on it, you've lost it.



Was it your intent, or the intent of Mr. Giddings to keep these from regulatory authorities?

I have no idea what he had in his mind, but as far as in my mind, no.

Did you have knowledge that these things were being maintained?

I knew there was NRs in the vault, and like I said earlier, if we had a copy of it, we kept it. If it was voided before it got to us, then we never got a copy and we didn't have a copy to keep, but anything that we got a copy of we kept so we had it for historical record purposes. We don't have it in all cases, because it had been voided out in the field before they got into it and we don't have a copy to put there, so we don't have it in all cases, but in any cases we do have, if they were voided out after they got into our hands, we kept them so we would have them.

Have you ever received calls from Quality Assurance inspectors that asked what happened to their NR?

The only NRs that I got a complaint on from Quality Assurance Inspectors, or heard complaints on after they were voided is the ones that dealt with hanger problems and was voided out by Mr. Giddings. Normally on a normal procedure on a void is to treat it as a closed NR and so when the NR is voided, by distribution, the inspector got rid of it and his lead man both get a copy so the person noted would get a copy back showing that it had been voided, a xerox copy. That would make them aware that the NR has been voided and I didn't get any complaints in the five years that I have been here, I haven't

had complaints or questions as to why an NR was voided because in my case, I have always discussed it with enough people that the NR was being voided before it ever happened and so there wasn't a question coming back as to why was a specific NR void or things that way until such time as these here that were voided by Mr. Giddings. Then there was questions coming from the field.

Let me give you control number 4904, would you examine it? Do you recognize the signature, the initials that appear on the void stamp. Are they yours?

Yes.

Are you familiar with that particular quality assurance inspector?

The inspector that wrote it?

Yes.

He was one of the inspectors here, yes.

Do you remember having any conversation with him regarding that being voided?

Not specifically, no.

Where was that particular NR filed?

It would be in the, I would imagine, it would have been in with the other inspection reports.

Did you stamp it?

If I did, I made a mistake.

Did you stamp any of the others?

I am not saying that I didn't, but if I did I made a mistake. I don't remember stamping them, but I am not saying that I didn't.

You have been the document control supervisor here for quite some time, five years, is there anywhere where that procedure for handling nonconformance reports appears?

Up until the time that the procedure was changed after the NRC investigation on inspection and prior to that time it was real vague as to how; there was nothing spelled out in any procedure that I know of that really stated how NRs were to be handled.

Did you every have a conversation with Mr. Giddings regarding the filing of these things?

Not specifically, no.

Did he ever instruct you to direct one of these to that file?

No.

Okay, do you have some more?

I also asked you yesterday if there any reports behind this particular stamp. I asked you twice and you told me no. Is that correct?

At the time we talked, I didn't remember these here existed. Now after seeing them, I changed my. . .

I specifically asked you is there any piece of paper that represents an inspection report and what was your answer?

The ones coming out receiving inspection.

Right.

And, after looking at them, I see where there has been mistakes made.

Let me correct you; I don't view it as a mistake. Okay, that is my view of it. I don't view it as a mistake; I view it as something much more serious. Okay?

I personally devoid of whether the inspection report stamp is on there or not, maybe I am missing something, but I don't see that as a significant item

because the NR paper would be handled by the control number regardless of whether there was an inspection report stamped on top or was a blank there. They would be filed the same way; they would be treated differently.

But they were never brought to attention of the NRC after formal and informal requests.

No, it wasn't. Maybe I am as guilty as anybody on that, but the instructions from were Giddings as a first time around, that the NRC had wanted all essential NRs and the second time around the request was that they wanted the nonessential NRs.

Voided NRs?

Right, the voided NRs.

Are these voided NRs?

And. . .

Are those voided NRs that Mr. Freid has been talking about? That are in the inspection report file?

These are not essential or nonessential, either one.

They are essential NRs, alot of them.

Well, but they don't indicate that by not having an NR number. So I would say that is how they were missed and not pulled and given to NRC because the one request was for essentials and the second time was for ones having non essential NR numbers. These not having NR numbers, is the reason that that file wasn't even looked at when we were pulling NRs to give to the NRC.

The way this was filed, wasn't it the intent of you and Mr. Giddings that nobody would ever see these files, Floyd? Why would they separate it out from the normal filing system, Floyd?

Because the NRs are filed by NR numbers and these don't have an NR number.

Yes, but you voided them; you have NRs, you stood there and you voided an NR and you gave it a number and you voided it. Why were these given a control number, voided, but never given an NR number. Why not?

Because they were voided before they got into the system to be given an NR number.

Okay, lets move along, Floyd. Floyd, are you aware of this procedure of NRs coming in from the field that were sent back with instructions to prepare surveillance reports instead?

If this happened, it was by instructions given by management and not by myself.

What management, be a little more specific.

Probably, Giddings. Being QA manager; he would have direction over the nonconformances and if he thought it was the wrong the piece of paper to handle the problem on, he could give the direction to record it on some different piece of paper.

What is the procedure for the punch lists, clearing punch lists, Floyd?

Punch lists, is reported as a result of a walk down and is a type of an item that doesn't require an engineering disposition to correct it.

Were you ever present or did you ever make a conversations were nonconforming items would be put on staff reports or punch lists?

I couldn't bring out specifics, but if I were aware of that happening, that someone in the review cycle determined that that is not of such a consequence that it should be a nonconformance and the discrepancy could be corrected as a punch list item.

Who would be in the review section?

Discipline engineer or the Weld engineer or a QA manager or an inspection supervisor, someone of that nature.

Have you ever been told to void an NR with instructions that it should be put on a surveillance report or punch list?

I don't recall specific NR numbers but I think it has happened.

Either it did or it didn't happen. Did it happen or it didn't happen?

As I said, I couldn't recall specific numbers. : .

I don't expect you to recall specific numbers.

But I recall this happening, yes.

So, you have voided NRs at the direction of Giddings? -

Or someone else in. . .

Who else?

Well, inspection supervisor?

What inspection supervisor?

Well, at the time recently would have been Rex Baker, it depends upon the period of time we are talking about, because over the years, people have changed, so at one time we had Rex Baker was inspection supervisor; prior to that there was Bill Kaiser was an inspection supervisor, and the weld NE engineers changed over the years. The QA managers have changed over the years; it depends on who was here at the time as to who gives the. . .



So on a number of occasions, you have been told to void NRs.

I wouldn't say it was any great number.

Alright, but it has happened?

Right.

Did you ever change any numbers on ISO?

Changed the numbers? No. We had an ISO that was identified as having a problem with a wrong number of something that way, there would be a note taken down to the people to make the changes and it would have been done to the master and copy of the thing and would show up as a revision.

We've got one more.

I have got a nonconformance report here, No. E5108 and I believe that is your signature here, is that right?

Yes.

Can you explain to me how or who told you that could be a voided NR? Why that should be a void?

I said except for the documentation found. . .

Okay, could you show me the documentation found that makes that acceptable?

I don't see it.

The KE1 form is in there.

Here is a heat number entered for the puff piece.

Can you tell me who entered that?

Well it is initialed RLR, it would be Rich Rider.

And what date is on there?

6/19/80.

Okay, and what was the date that the actual welding, this is a KE1 form we are looking at, Okay. What is the actual date that this was welded and inspected?

Well, I said it was on 10/14/76 and it looks like final RT took place on 10/18/76.

Okay, so that is almost four years later.

Now how did he verify that that was the heat number on that puff piece?

Whoever did that?

I don't know the connotation that he had reviewed and he had reasons to believe that that was the heat number of that buff piece that was added in there.

But you are the one that voided it. You are the one that did the voiding, not RLR.

Based on the fact that RLR had come up with something to show that. . .

He wrote it initially.

He wrote it in there, that that is the heat number of that piece.

Okay. Would you say R. L. Reider is the one who and you initiated this nonconformance report with Reider according to this, right?

Right.

Okay, I still don't see where the documentation is available in here that proves that; I don't see any additional documentation other than that he made that entry on the KE1 form, but that was a heat number on that puff piece.

I would say that came from either going out and looking at the puff piece as to what the identification on the puff piece or there is possibly through the DDC there is a reference that says where this piece came from to, what piece of pipe to use for that place or drew up a field work order, something that way that led him to to documentation to . . .

Is it normal that DDC's have heat numbers?

No, DDC could have, depending on who wrote it, it could have an entry on there as to what piece of pipe is to be used. I don't know if that's the case in this specific case, but I have seen DDCs that said use this piece of pipe because when they are writing it out in the field, they had the piece of pipe right there that they were going to use and they were using this piece pipe with this identification on it for this location.

Okay, I went out in the field and I walked down this particular piece of pipe with one of your inspectors and we walked right up to the piece and we looked all around that puff piece. There is no identification on that puff piece whatsoever except for the weld number, that's it. So, how was it possible for him to come up with that piece, without it being on the puff piece?

Right at this minute, I couldn't tell you because I don't know what. . .

Didn't Reider write you a surveillance report on October of 1979 in which he said he felt he was having to make assumptions when he was filling out these documents that compromised his integrity?

Yes, I remember such a. . .

What was your response to him on that?

The response to that was directed by Bill Giddings.

What was your response that you wrote on it and signed by you, Boyles.

I wrote the response on there that was word from word that was directed by Bill Giddings and it is his response, really, and not mine, cause I was. . .

What was the response?

Without getting it now, I don't remember.

You got the surveillance reports out there?

Have you got a number?

When did Reider leave the site? Is that an SR in that package?

Okay, I got another thing on this.

Go ahead, cover that.

There is also a statement here that says weld A is located one threat inside the penetration M13 in violation of section 910.1 of H2256. Now, what documentation was found to address that?

The fact that a preservice inspection had been made on that weld and the idea of that paragraph has said welds had to be accessible for inservice inspection.

Okay.

And, if the weld was accessible for preservice inspection, it would then be accessible for an inservice inspection and these records are on file with CT&E as to what welds have had this inservice inspection.

So that has had preservice inspection, that particular weld; we can verify that and he did verify that. Okay, but I still do not understand or don't see the documentation for proof that the puff piece is actually on there.

How he came up with that specific heat number for that puff piece, I don't know.

He didn't show it to you, then.

No.

And you went ahead and voided on his word.

He showed me the KE1 form where he had entered the heat number in and said he had traced it down and this is the heat number of that puff piece.

Okay, did he say he traced it down by going out and looking at it, or he didn't indicate?

He didn't indicate as far as I remember; he didn't indicate how he traced it down.

Why wasn't that sent to the Material Review Board for review? Why wasn't it accept as it and dispositioned as accept as it, correct documentation found and reviewed by the engineers. Why was it voided? It was your own NR?

This has been, well ever since I have been here, and I have made complaints about it, just in talking.

You handle the records here and the records are all screwed up and you know it and Reider told you in that surveillance report. Did you agree with what he said in the surveillance report? Is that what you are saying when you say you are directed by Giddings to respond in that surveillance report? Do you agree with what he said? That the drawings and all the small board and large board isometrics are to be reviewed for material traceability?

As to what Reider or as to what Bill says?

What Reider said or what Bill said. What do you think? Was Reider right or Bill Giddings right? You were in charge of all the documents.

I haven't looked at the surveillance report. . .

Have you got the surveillance reports, or are they out there in the vault.

They are out here.

Do you want me to go get it.

I don't remember what the date is.

You know the SR I am talking about.

Yes, but I don't know the number.

Let's go get the log and we can track it down. You've got Surveillance Report 2819 in front to you. What does Reider ask to do on page 1 and 2 of Surveillance Report 2819? What does he say in there?

It says I must make assumptions which I feel compromise my integrity. See page 2 for . . .

Okay. Now, turn to page 2 and what does he recommend?

First of all, you should clarify what he is talking about there; he says in preparing MPI form for small board isometrics.

Yes, he says there is lack of traceability. Is that what he is saying on page 2?

Okay, what I get from this surveillance report is that the surveillance report was written that he is making assumptions that when a heat number is recorded on the ISK like he says here in example 1, he says take an ISK with five 90°L's and six puff pieces. And there are two good heat numbers recorded for each of these items.



He's got to assume they go with the pipe; there is nothing that ties them together in the documentation.

He is saying that out of these five 90's, there is two different heat numbers recorded.

On the five pieces of pipe?

Well, in this case, five fittings.

Five fittings with two heat numbers and he has got to assume which heat numbers go where? Right?

Right.

That is what he is saying?

That's the assumption. . .

And he is saying that is compromising his integrity.

Right.

What was your response to him?

The response that I put on here was directed by. . .

But what is the response? Would you read the response?

Procedures as written and approved are adequate to meet regulatory and code requirement for the William E. Zimmer Plant. Review of documentation is to be continued using the approved procedures and practices now in effect.

Okay, do you agree with that statement? He had identified a nonconforming condition to you that you wrote NRs on it. Was there a problem on it? In material traceability on small board isometrics that you were aware of? Do you agree with what Reider is saying?

Yes.

Okay, yet you wrote that response.

Right.

Because of why?

Basically, because I was directed to.

But you knew the review of the isometrics was in noncompliance with NRC requirements.

No.

You knew it was not being done right.

Well, . . .

You agree with what Reider says there.

Right, he . . .

What does he identify?

He is identifying what he thinks is a problem that there is five fittings on  
a . . .

He is saying that the problem is traceable material on small boards.

And he is saying that there is a problem that by recording the heat number in  
a block. . .

But as a whole, he is talking about traceability on small board isometrics.

Is that true?

Right.

And he is saying he has a problem with that.

Right.

And you agree that there is a problem?

From his standpoint, yes.

What about from your standpoint as records reviewer; you are reviewing the same records.

The procedure that was in the effect at the time . . .

Not procedures; I am talking about small board isometrics heat number traceability. Was there a problem?

No.

There was not, in your opinion? You just told us a minute ago, you agreed with Reider, that Reider was right.

Okay, there is a difference of opinion; Reider had the opinion that it had to be identified uniquely to each and every fitting. This fitting had this number and this fitting had this number, he wanted it identified . . .

There is a chapter on welding here, how is it supposed to be here?

The procedures in effect at the time which since that time, it comes back to the fact, shows that in a sense, Reider was right.

Reider is right.

But procedures that were in effect at the time, required the PC number be entered up here in the block and this is what was being done and these procedures had been written and approved by responsible parties.

At the time he wrote his SR, did you agree that there was a problem or not? What you are saying is now he is right; was he right back then? That's six months ago, was he right? In October of 1980, that isn't that long ago, you review all these documents, do you agree . . .

To the best of my knowledge at that time, I agree with the Giddings.

You made that entry on that SR.

That was directed by Giddings, but yes I made it, but we more or less . . .

What did you and Giddings feel about Reider's surveillance report saying that he was compromising his integrity? It's unusual for someone to write that, isn't it?

Agreed.

Then what did you and Giddings say was . . .

I didn't see anything different from it then any other surveillance report. It was a surveillance report that was written by a party on the site and was processed into the surveillance report system and handled accordingly.

Reider wrote and you wrote twelve nonconformance reports dealing with material traceability. Twelve. And, yet you are saying it's not a problem.

I think the majority of the NRs that you are talking were written on large books.

Like a traceability on large boards?

Right and this surveillance report deals with small boards. You don't have the problem. The problem is different. . .

You are giving me two responses, five minutes ago you said Reider was right, now you say he is wrong.

No, Reider is identifying the problem on small boards because on a small board drawing, you record the heat numbers in a block, whatever material is on that drawing. On large boards, you record a heat number for one specific item.

I see.

So, it is a different situation.

But he identified a problem with small board. Did you agree that there is a problem in small board at the time with heat number traceability?

I didn't see a problem.

You didn't see a problem.

I agreed with the procedures as they were written saying that we record the heat numbers that is on the material that is installed and at that time I didn't see a problem with. . .

You didn't see it as a problem to have two heat numbers for five pipe pieces and nowhere to trace the heat number to each piece? You didn't see that as a problem?

No.

Why did you take it to Mr. Giddings, then? It's addressed to you if you didn't see a problem?

Mr. Giddings being my boss and I thought it should have been addressed to him instead of me and I didn't know what kind of answer to put on it.

What was Gidding's response to this when he identified this problem? What was his opinion about the problem?

He thought Reider was somewhat offbase in writing it and like you say it is an unusual surveillance report and he was offbase in writing it and if he had a problem he should have come to us and talked about it, you know identified his feelings and we could have discussed it in house and see where we go from there.

So Giddings didn't like the fact that Reider; he had questions about Reider writing it.

Yes.

Okay, did Fred Morrow come in here, an NRC inspector, and find problems with small board isometrics in March of 1981.

Since that time, yes, that's why I say, right now, I can see Reider was right, but at that time, I didn't see it.

Okay.

I would like to say that the answer here that the procedures as written and approved are adequate and that was the way I saw it at that time. Since other things have been brought out in that, now at this time, I see it differently. I agree with what is being done now. At that time, I guess I wasn't smart enough to see the problem coming up.

Okay, who else did you or Mr. Giddings discuss this SR with?

I didn't discuss it with anyone other than Bill. If he discussed it with someone else, I don't know.

There was nobody present during your discussion with Bill?

No.



We talked earlier, not to belabor the issue, but I am not sure we got a final answer pinned down at one point we talked about earlier. I asked you why the voided nonconformance reports that don't have nonconformance report numbers, the ones that we found in your inspection report file, why were those voided nonconformance reports not turned over to NRC in response to the request earlier this year and you offered two possible reasons for it, as I recall. One, being, you don't consider them to be nonconformance reports, simply because a number was never assigned to them; the second reason was you didn't recall the time that they were filed up there. You offered these as possible reasons. Which was the reason why they weren't turned over to NRC? Those two reasons don't fit together; one or the other has to be the reason.

I would say the reason that they weren't pulled out of these voided file, because the request was made for the essential nonconformances the first time and these were hurriedly gone through and copies made and the originals given to to NRC. Then they came back and said, no we wanted them all so we gave them the nonessentials. So then we went back through the file of nonessentials and there was no directions given and no requests for any that didn't have an E or an N number on it and so, I didn't get the idea that there was any request or any need to into the inspection report. I was of the opinion they were only interested in the formal NRs, there again, our numbers of being an E for an essential NR or an N, a nonessential NR and not the ones that weren't formal NRs by having an NR number.

Okay, is your answer then, you at the time you had these two requests for voided nonconformance reports, you were aware of these other nonconformance reports in the file but you didn't consider them to be subject to the request from NRC? Is that what you said?

Right.

And is that because they didn't have a nonconformance report number?

Right. They weren't included in this request because of not having a number.

Okay, but you were aware that they were in the file at the time these requests came in.

Yes, I was aware that they were in the inspection report file, yes. There was no request made to go into the inspection reports.

Okay. Let's take a five minute break. I would like to finish this tonight, I don't know what your personal plans are, but I would like to complete this. I have got some more I want to go over and if we took a break and get it out of the way so you wouldn't have to come back tomorrow so it may be to your advantage to just get it over with. I don't think it will take too much longer.

Okay, if it is not going to take too much longer, I have got a big problem if it is going to take considerably longer, my wife is waiting at home to eat, but if it is not going to be too much longer, I just as soon go ahead and get it over with.

Okay. Look, we are going to get off of this individual NRs. I want to sort of get into what has been going here for the last five years since you have been here. We looked at alot of paper for the last six months. You know, it

is like a mush, we find soft spots here, whatever file we go through we find discrepancies, suspect documents, what's going on here?

Basically, I would say the problem is, as I see it, since the time that I have been here, has been lack of people. At one time there was the two of us, myself and Sue were the only two people in documentation. We took every piece of paper that came in and got it filed. Now how much chance have you got to look at a piece of paper when you are trying to keep up. So, there wasn't people here to look at and review the papers. We were doing good in the vault and to get it in the vault in such a manner so we could find it again if we needed to and so, basically, in a nutshell, that is. . .

That was early on, bring it up to date. We've got a lot of butler people in here now.

Those butler people were inspection people. There still wasn't anybody in here, in the office area. The butler people helped out in the inspection part of it, but in here, to us it only meant that there were only that many more people out there generating paper for us to put away.

You only have three people.

Right, up until last year, before we got a third person, then it was between Thanksgiving and Christmas when they got into the cycle of getting some people to start looking at this paper and saying we are getting closed in and float this stuff up. We've got to take a look at it and close it out and up until then, there was nobody in the office area. I can remember, not this past

Christmas, but the Christmas before, I had my vacation cancelled because I happened to be the last one to put in for vacation and everyone in the engineering department was gone and NRs came in and I said to Baumgartner, who is going to handle these while they are taking vacation. He said, "you're an engineer, sign them if you think they are right." This is the kind of situation we were looking at.

We talked to alot of QC people and it seems that it is pervasive feeling from their end that the documentation is being played with of writing NRs, voiding them; is that your impression of what is going on? Do you know that this is going on?

As far as I know, the NRs they were referring to, like I said earlier, there wasn't complaints on NRs that I had voided because I had talked and discussed with people so I could satisfy myself and the other parties involved and say yes, we have got the documentation we need, or whatever note was put on the NR was that that satisfied the situation at that time. By hindsight, I could see where it could have been done alot differently, but here again it was hurry up and get it down so that if we don't get it done, other things are stacking up and we don't want you to spend alot of your time doing it so it was a rush type thing. But the NRs that as far as I know, the NRs that are being complained, my inspectors in the field, are these NRs that was like these inspection reports ones that I didn't know about have become, have Giddings name on it.

Did you bring your complaints to Mr. Giddings and Baumgartner and Turner that you didn't have enough people?

They are in management and have been aware of that.

What has been the response?

Several times there have been requests put in at CG&E for additional people and I had been (Garbled)

Why does CG&E have to approve the kind of people you have?

They are paying the bills.

Is your contract between Kaiser and CGE one that they are picking up all your costs and then you get a certain part above that.

I think it works that way; I am not in the contract that much, but if I put in a request, well it has been that way ever since I have been here, if I put in a request to hire a person, that request has to be approved by CG&E before I can go out and hire somebody. They don't approve the name, they approve the body.

Floyd, what's in that vault? Does that reflect what's out there?

What is in that vault is what was sent in to us by the inspection people in the field. I made that statement several times that if it was sent in to us, we file it. If it wasn't generated and it wasn't sent in to us, we don't have it. To answer question of what's in the vault reflect what's out there, I can only say to the point if they, in the field, sent it to us, we have got it.

Then why is there the complaint that some of the stuff you don't get? You are writing the stuff up and it's not being put into the system, Floyd.

That is being done, and was being done, and whatever by management people which I have a boss, to the extent I have to satisfy myself, but to the extent I have to do what I am told, also and if like these here that are signed off by P.S. Giddings, then that he took on himself to do.

What levels of management are between a QA inspector and a QA manager? Isn't it somewhat unusual that a trained professional quality assurance inspector can't get an NR?

I don't know what you are getting at when you say can't get an NR.

He's got to get approval all the way up the chain to the top man to get an NR.

Normally, he doesn't.

Wasn't there a time last year when the atmosphere was around here was we are not going to write NRs?

There was a time and to tie it in with these NRs that we are talking about and there is specifically on the hanger program, it involved hangers and Giddings got into that and . . .

Was it your understanding that hangers weren't important?

No, I wasn't involved in both discussions or in things that way that much, but the feedback that I got through the, shall we say, grapevine, is that they weren't going to write NRs, that the problems on hangers would be taken care of by the construction people going out there and correcting and not having to write NRs and there was also a time when Giddings wasn't acknowledgeable and so they were writing NRs that really shouldn't have been NRs, like on these original seven NRs that was voided by Giddings; they were voided by Giddings taking the approach that by his reinspection and he did go out and look at them before he voided them, but it was based on the idea that those were acceptable, that the inspectors are being too . . . as far as AWS welding is concerned, and that if they were talking code dwelling, that most of the inspectors that came on code dwelling and that they were inspecting to code dwellings and not AWS requirements.

So it was Gidding's position that the inspectors were being too critical.

Based on AWS requirements, yes. That's my understanding of it and I wasn't in all the meetings and all the discussions. . .

For a number of occasions, are you aware of the fact that a number of occasions, craft personnel threw water on quality control inspectors? Were you aware of any of those instances?

Only from when hear someone laughing about it that so-and-so got doused today.

Do you think that is a normal situation?

I didn't, no, because I used to be an inspector.

Was that made aware to Mr. Giddings?

Yes.

Was any disciplinary action taken by anybody on this plant?

I don't know. I am sure it was given to project management and it would have been up to them to take the necessary action and as to whether they was anybody fired over it, or anything that way, I have no idea. I never did hear about that it through the grapevine. I myself hadn't been out to the plant in over a year.

Was there ever a time when people in document control refused to come back from lunch because things were being handled so poorly, that there virtually was a walkout of document control?

Yes.

What happened?

This was a disagreement with the people in my group.



Reider was in it?

Reider was in it.

Who else participated?

Everyone in . . .

The clerks, all the girls?

I think with one exception, everybody in the office, all the girls. . .

Could you name those people that participated in it?

It would be the ones who were in the office at the time.

Who were they?

Reider, Diane O'Keefe, Sue Gotzy, Pat. . .

Why did they walk out?

A general disagreement with Bill Gidding's policy.

Policy of what?

On how he was treating people.

Personally, or regarding their jobs?

Personally.

Personally, and not regarding their jobs?

Well,

Did Reider write his SR after the walkout or before? He left in November of last year. Was this walkout last September?

I can't remember a specific date right now. . .

What month?

I couldn't even give you that.

Summer or fall?

I would say summer or early fall.

Okay, they walked out. Was it over the documentation problems they were uncovering or was it over Bill Gidding's treatment?

To my knowledge, it was over Bill Gidding's treatment.

What kind of treatment did he give them, that they would all walk out?

Well, one was just in his manner, you might say a personality problem.

Five people?

It involved more people, if I could think of names of all the people, I would have to look on the list and see who was in the office.

More than five people?

It involved everybody in the office at the time and I myself had been making complaints about his personality in that he was here before he went to Florida and in a sense, had worked for me, because he was helping us in the documentation, more or less killing time.

I thought he was QA manager before.

Not here.

What was his job here before, the first time he came on site?

He was helping us with the documentation.

And then he came back as QA manager.

Right. He was only killing time while he was in here just waiting for the job Florida to open up.

And the Florida job opened up.

He went to Florida.

He came back here as QA manager?

Right.

You had problems with him, why?

I myself had made the statement that there was a difference like in day and night between the person that was here helping us in documentation and the person that came in here as manager and I think it had to do with pressures of the job. When he was here without, you might say, any responsibility or authority and just as you might say functioning as an engineer or clerk here in the office not having responsibility and authority, he was a totally different person then he was when he came back here as manager. It was recognized real-quick like by the people that were here. I hadn't been here when he was here earlier and when he came back.

It wasn't a complaint over the way the records were being handled?

Not that I know of. As far as I know, it was, you might say, a personality problem and his treatment of people. After that episode, he made the statement

that anybody that wanted out, he wouldn't hold them back and this was the time that Pat went out in the field, Diana went out in the field and Mary Ann Lisman over to the turnover group. Mary Ann was one of the few was, you might say, the only one that came back from lunch and it was because she went home for lunch and wasn't with the group. But, she also had problems with his treatment and now that Bill is, shall we say, on his way out, she has come to me and requested she wants back. Now that Bill is gone, she wants back in the QA department. The way I see it is is a personality type thing between him and the people.

Okay, did you attend the meeting just before they got the word of . . .

No.

They had a major meeting of the all QCs where they offered them jobs. Did you attend that meeting? It was in September, October in 1980. Did you attend that meeting?

I was aware that this was going on, that they were going to offer selected butler people jobs and that they were going to do away with job shop people and the reason I was given was to have better control and more, you might see, company-dedicated people, then they had with job shop people.

Is that your review of it?

Not being out in the field and directly involved with the inspectors themselves, and that I wasn't too much involved. . .

Did Giddings ever tell you why?

The only thing I was told was like I just said, that they were to have better control . . .

What do you interpret by control?

That they could directly have an effect on the person's shall we say, performance reviewed and raises and hire-fire, and raise and administrative type control.

Is there any indication that there were just too many discrepancies being reported and this was a method of reducing the number of nonconforming items?

To me, no. But it may have been.

Did you ever get that feeling? Did you ever think that?

I am not going to second guess management.

I am not asking you to second guess them; I am just asking what your opinion is?

I know that there was statements made about specific people and that is why I say that they offered or were going to offer to select people and the ones that management considered or, you might say, Bill Giddings, had problems with, they. . .

What inspectors did they offer jobs to, that you can recall?

There was inspectors that they made offers and then they didn't accept the offer and so, I am not sure when I say, I couldn't really be sure in saying that this one wasn't offered a job and this one didn't accept the offer.

Was it ever suggested to you that the highly critical people that wanted to leave the site. Was that ever suggested to you? Did you ever hear that? Did you ever form that opinion? That it is based based on more than personalities?

I have heard that. . .

Who did you hear that from?

Just from the grapevine.

Come on, we know the grapevine; who told you that?

In walking down the hall, I could hear it and I would say it came from inspectors, the butler inspectors that was in this position.

You indicated earlier that the reason that they requested more people; why is it in the area of say, piping? The number of inspectors that were doing piping prior, there were as many as ten, but after butler was removed it went down to three. That wouldn't suggest there was a shortage of inspectors. CG&E wasn't enough people. In some work levels you went from ten to three. That wouldn't suggest that the CG&E wasn't willing to pay for them.

We get into a different situation there. As far as I know, at that point in time, CG&E had approved this number of inspectors, but the butler people not accepting the offer, and you and I know that you can make an offer to a person and he is not going to accept and so due to the number of people that didn't accept an offer and some of the other butler people accepted offers only to give themselves more time to find something else. And, Kaiser now being down like you say to three people, that is because they haven't been able to find replacements. I think CG&E has approved the inspectors; it's a matter of them being able to find people to fill these slots now.

Were you ever told or did you ever engage in any conversation where somebody told you that they were going to get rid of butlers because of the high number, their critical performance of the plant out there?

No.

Did you ever engage in a conversation like that with Bill Giddings where he told you he was getting rid of butler?

Not for that specific point. What I was told and I wasn't told it by Bill, I was told it by Knox.

What were you told by Gene Knox?

That they were to have a better administrative control of the people and if they were Kaiser people, they would be more dedicated to the company and the other reason why . . . job shopping was expensive from a company standpoint



because the way the Kaiser contract is written, Kaiser gets money for the Kaiser people but they don't from job shop people.

What procedures changed about that time to put nonconforming items on SRs and punch lists rather than NRs?

I don't know that the procedures was changed; I would say policy was changed.

Doesn't this represent alot of that policy? All these 72 documents where people can't get them into the system. Isn't that a reflection of that policy?

Yes. Not the whole 72.

But it is indicative.

Because some of the 72 are not tied into the hanger problem and are not tied into that time frame.

Do you get a feeling that this particular site was dominated by the craft?

No I don't think it was dominated by craft; I think it was dominated in two ways. One way was dominated by Bob Marshall, by craft I thought you meant craft type people. I think it was controlled by, shall we say, somewhat controlled by Marshall and he had a big influence on Giddings.

In what way?

Like this NRs right there, we don't need those NRs, we can get them on the system and we need construction type to correct these problems. And your inspectors are being too critical; they should have been written up in the first place.

And Giddings capitulated to that request?

Yes, the voided NRs are evidence of that isn't it?

It certainly is.

I think that the QA management was dominated to some extent.

Isn't it highly unusual that the head of a construction project would go out with an NR to a working level quality assurance inspector and have him justify his nonconforming report? Don't you find that highly unusual? That the principal representative on this site of all the levels of review that exist between that individual and the top man on the job.

I would say normally yes, that is unusual and it was done to dominate.

So, add it all up, Floyd and what have you got?

You have got a job for a group, shall we say, that has had a problem all along, due to lack of personnel which is caused by the client, not up until

just recently, there was a lack of personnel and management was dominated by craft management to meet schedules, which, from a quality point, is wrong. Quality should not be involved in scheduling.

Let me ask you, while this was going on, in the chain of management, Bill Giddings works for Gene Knox. What was Gene Knox's role, in all this; I see his name appearing on some of these documents.

When Bob Turner left here, Gene Knox came out from Oakland, and Gene being the corporate manager, came out from Oakland and filled in as temporary site manager until they could find somebody else. Then having a problem in finding somebody else, they brought Baumgartner out from a corporate office to be site manager and this again was with the idea that he was temporary and there was time that Baumgartner was here and Knox that. . . and Knox would be out here until then. And so Knox has been since the time that Turner left here, Knox has been . . . since Giddings has been here, Knox has spent quite a bit of time here.

Is it your feeling that Kaiser is committed to quality assurance?

I think in an overall standpoint, yes.

How do you justify that yes?

But, I think on this specific job, they have allowed themselves to become dominated and Knox being of the type person to not jump and down and scream and holler and in force, to allow his site manager to become dominated or

maybe it was a poor choice of site manager that wasn't forceful enough to overcome the domination from the construction side of the house.

That leaves us with somewhat of a problem, Floyd. What do you think we have got here? We have a long, sad tale, but what is the bottom line?

What have we got here, alot of work.

Is the plant safe?

I would say I have no problems with it from a safety standpoint, but from a . . .

Let me ask you something, Floyd. Let me expand on it. There is going to come a day when Kaiser leaves and everybody is gone and the only thing that is going to be here is that vault with the records in it. If pipes start leaking, can we go in their and be assured that we are going to be able to find out what's going on in there?

That's what was I was starting to get into.

Excuse me for interrupting, Floyd.

From a safety standpoint of the plan, I don't have a problem. But, right at this time, I can't say that the documentation reflects what is out there.

Okay. In all areas?

That's why I say there is alot of work.

Is it in all areas and not limited to DG and all that?

I don't see any difference in one area to another.

Okay.

I don't know any reason why the DG rooms would work any differently than any other section and that's why I say there is alot of work ahead, alot of reinspection and things that way to be done to make the documentation reflect what is out there and this should have been done when the work was done. When you look at a document now and it is five years after it is done, you can only second guess how to fill in the blanks, and we have in one case cut out three welds in the RT system because the heat numbers showed it was a carbon steel insert in a stainless steel line. If this review had been made at the time, the day after the work was done, it was fresh in your mind, if the man in the shack made a mistake and wrote the wrong number down, it could have been reconciled right then.

The point is that there is an inspector who could have inspected that weld at the time it was formed and recorded it on the KE1 form as procedure requires, you wouldn't have that problem.

True. But along with it, if the documentation had been reviewed at the time and if the inspector had made a mistake it would have been caught and could have been reconciled right then, with alot less time involved and and alot less money involved then it is going to take now to get this plant in the condition to be ready to . . .

Points well taken.

Floyd, your bride is waiting for you and you're hungry and we certainly appreciate your taking the time and we are going to be around.

C FORM 405  
 (1-76)  
 NRCM 2101  
 (PENDING ISSUANCE)

U.S. NUCLEAR REGULATORY COMMISSION  
 WASHINGTON, D.C. 20555

**FILE TRANSFER RECORD**

<b>TO:</b>  <p style="text-align: center;">Jim Henderson, IE</p>	<b>FROM:</b>  <p style="text-align: center;">David H. Gamble, OIA</p>
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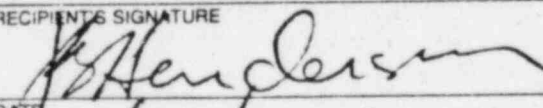
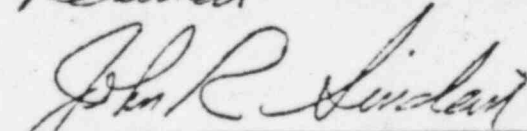
REQUESTER'S REFERENCE	SENDER'S REFERENCE
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DATE OF REQUEST	DATE SENT <b>Feb. 22, 1982</b>
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THE FOLLOWING ~~XXXXXXXXXXXXXXXXXXXX~~ ARE TRANSMITTED FOR:

REVIEW AND RETURN                       RETENTION

NAME <small>(Last, First, Middle)</small>	FILE NUMBER	REMARKS
Three (3) cassette tapes of June 4, 1981 OIA interview of Floyd Oltz		Originals

<b>RECEIPT ACKNOWLEDGED</b> RECIPIENT'S SIGNATURE  DATE 2/22/82	<b>REMARKS:</b> Returned 2-23-82 
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