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REGISTERED AGENT.

U.S. PATENT & TRADEMARK OFFICE

July 10, 1980

Mr. Jerry Strickler  
Office of Inspector and Auditor, LA-1200  
U.S. Nuclear Regulatory Commission  
Washington, D.C. 20555

Dear Sir:

Further to our discussion by telephone regarding NRC investigation 50-322/79-24 of alleged deficient construction practices at the Shoreham nuclear plant, I am writing in response to your request for a summary of the grounds for our criticism of the investigation as being a "whitewash". In doing so I refer you to my letter of May 20, 1980 to James Allan, Deputy Director, Region 1, commenting on the scope, methodology, and findings of the investigation conducted by Dr. Charles Gallina and other NRC personnel. Since you have indicated that your office is not prepared to review the technical issues of the report, I confine the itemization below to the circumstances of the report rather than its contents.

Although we provided Dr. Gallina with all of the starting material for the investigation, we were excluded from participation in or knowledge of its progress. We therefore have no direct evidence that Dr. Gallina deliberately undermined the investigation in order to produce a sanitized report favorable to the licensee. However, the following circumstances indicate that he, either deliberately or as a matter of agency mindset, frustrated a full and candid investigation of the allegations:

1. Dr. Gallina did not take effective steps to develop contacts with at least half a dozen other witnesses whom he was advised might provide information on construction deficiencies. By refusing to provide adequate assurances or to create an atmosphere of protectiveness for workers to feel encouraged to make disclosures, he effectively cut off any possibility of obtaining information from these and other potential witnesses.

2. He breached his agreement to preserve in confidence the identity of Jock McCrystal, a former worker who provided leads on persons likely to be knowledgeable of defects, from the persons whom Mr. McCrystal named. Dr. Gallina attempted to excuse this breach by noting that Mr. McCrystal received

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To assure that our file reflects all relevant activity on this matter, OIA would appreciate copies of any correspondence initiated by IE in response to the attached, or any correspondence which relates to Mr. Chong's letter of May 20.

cc: H. Thornburg, IE  
R. Shewmaker, IE

which he hoped would more clearly and narrowly delineate or exemplify his concerns about methodologies and the utilization of findings. He said that this letter could serve as an addendum to his letter of May 20.

It was mutually agreed by both Chong and OIA that since Chong's reference to a whitewash was of a generic nature, rather than indicative of an internal security/misconduct problem, there was no need to continue with any plans for a personal meeting. Accordingly, no further action by OIA is contemplated.

In assessing the significance of the five (5) issues contained in Mr. Chong's attached July 10 letter, you may find the following comments of benefit:

Issue 1 - Mr. Chong apparently fails to recognize the fact that Dr. Gallina expended considerable effort to provide ways for potential allegeders and sources of information to establish and maintain contact with NRC in a manner designed to assure their anonymity. Whether or not such steps were effective or adequate is, at best, subjective.

Issue 2 - Although Mr. Chong claims that Dr. Gallina breached "his agreement to preserve in confidence the identity of" an allegeder, no evidence was provided to show that Dr. Gallina did, in fact, do anything which resulted in the allegeder being identified. On the contrary, Dr. Gallina denies that he was in any way responsible for surfacing the identity of the allegeder.

Issue 3 - Mr. Chong claims that Dr. Gallina told him that a majority of the allegations could be confirmed as having occurred. Dr. Gallina told OIA that, in substance, he told Mr. Chong that many of the allegations had merit and that they appeared worthy of investigation. Dr. Gallina claimed that as a result of investigation, however, none of the allegations was substantiated. Dr. Gallina went on to state that "two minor items of noncompliance" (unrelated to any of the allegations) were found. He maintains that at no time did he give any impression that any of the allegations was substantiated.

It would seem that the discrepancy between the recollections of Mr. Chong and Dr. Gallina may be based, in part, on a communication problem.

Issue 4 - OIA does not have the technical expertise on which to base a meaningful comment on this issue.

Issue 5 - This issue again simply reflects the subjective opinion of the writer.