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PUBLIC MEETING
NUCLEAR REVIEW COMMITTEE REVIEW TEAM
ON PROTECTING ALLEGERS

September 20, 1993

Matagorda Hotel

Bay City, Texas

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BE IT REMEMBERED THAT, on September 20, 1993,
a public meeting was held before the Nuclear Review
Committee Review Team and James Lieberman, Chairman, at
the Matagorda Hotel, Bay City, Texas Deposition,
commencing at 6:00 p.m.

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A P P E A R A N C E S :

UNITED STATES NUCLEAR REGULATORY COMMISSION
WASHINGTON, DC 20555

JAMES LIEBERMAN

Director, Office of Enforcement

JOHN GREEVES

Director, Division of Low Level
Waste, Office of Nuclear Materials,
Safety and Safeguards

BRIAN GRIMES

Director, Division of Operating
Reactor Support, Office of Nuclear
Reactor Regulation

WILLIAM D. HUTCHISON

Assistant to the Director
Office of Investigations

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JEAN LEE

Office of Nuclear Reactor
Regulation

GARY SANDBORN

Region IV

JOSEPH GILLIAN

Region IV

REPORTED BY:

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CHAIRMAN LIEBERMAN: Good evening.

If you can take your seats, we can begin this meeting.

I am Jim Lieberman, the Director of the Nuclear Regulatory Commission's Office of Enforcement and Chairman of the Review Team for Reassessment of NRC Program for Protecting Allegers Against Retaliation.

With me today on the review team is John Greeves, Director of Division of Low Level Waste of the Office of Nuclear Materials, Safety and Safeguards, and Brian Grimes, the Director of Division of Operating Reactor Support from the Office of Nuclear Reactor Division.

Also with us today from NRC is Jean Lee, from the Office of Nuclear Reactor Regulation, Bill Hutchison, from the Office of Investigations; Gary Sandborn, from Region IV; and Joe Gillian, also from Region IV.

This is the first of four public meetings to obtain comments from interested persons, including licensees and their contractors and employers. In each of these meetings, we will have an evening session and

1 a morning session. The purpose of these
2 meetings is to obtain information to assist
3 the Review Team in evaluating current NRC
4 activities and making recommendations to
5 improve the regulatory process. The evening
6 session is being provided to make it easier
7 for workers to provide us comments. Tomorrow
8 morning, we will begin with a presentation
9 from Houston Lighting & Power Company to
10 provide its comments and its efforts to obtain
11 employee concerns on safety issues.

12 The review team was formed at the
13 direction of the Commission to consider
14 whether the NRC is taking sufficient steps
15 within its statutory authority to create an
16 atmosphere within licensees' organizations
17 where employees, including contract employees,
18 feel free to raise safety issues without fear
19 of retaliation.

20 By way of background, there are two
21 federal agencies involved in this area, the
22 Department of Labor and NRC. The Department
23 of Labor is responsible for providing a
24 personal remedy after doing investigations for
25 workers who have been discriminated against

1 for being engaged in protected activities,
2 that is, for raising safety concerns either to
3 their employees or to NRC. The NRC is
4 responsible for taking action against
5 licensees to assure that workers are free to
6 raise safety issues.

7 The Review Team is considering issues
8 such as, one, whether NRC has taken sufficient
9 steps through regulations, policy statements
10 and inspections to assure that licensees
11 encourage their workers and contractors to
12 raise safety issues; two, whether the current
13 NRC process for handling allegations is
14 appropriate from the prospective of the
15 employees feeling free to raise safety issues;
16 three, whether NRC is sufficiently proactive
17 in cases where employees raise concerns or
18 express fears that they may become subject to
19 retaliation if they do raise safety issues;
20 and, fourth, whether NRC policies are
21 appropriate when discrimination may have
22 occurred, including relations with the
23 Department of Labor, treating the potential
24 for chilling effects, performing
25 investigations and taking enforcement actions.

1 As I noted, we are seeking comments
2 from both workers and licensees. We have
3 published a Federal Register Notice seeking
4 public comments. Copies of the Federal
5 Register Notice is available on the back
6 table. We are accepting public comments
7 through mid-October. We have also met with
8 attorneys representing both workers and
9 licensees. These efforts, including the
10 meeting today, are intended for the purpose of
11 employees, licensees and other concerned
12 individuals like yourselves to bring forth
13 issues and ideas for our consideration.

14 Following the completion of the
15 public meetings and the review of the written
16 comments and comments from these meetings, we
17 will be preparing a report to submit to NRC
18 Commissioners. It is our expectation that
19 this report will be completed in January 1984.
20 The issue before us is an important one. NRC,
21 even with its many inspectors, can only
22 observe a fraction of licensed activities. We
23 will never have the knowledge possessed by the
24 thousands of employees in the nuclear
25 industry. Employees in the nuclear industry

1 have clearly made contributions to the public
2 health and safety by coming forward with
3 concerns. Employees must feel free to raise
4 potential safety issues to the NRC. However,
5 in the Commission's view, it is not enough for
6 employees to feel free to come directly to the
7 NRC. Licensees have the first responsibility
8 for safety. Thus employees must also feel
9 free to raise safety issues with their
10 management. We recognize that there is
11 dissatisfaction with the current system.
12 Employees are not always comfortable in
13 raising issues. There are cases where
14 discrimination has occurred where employees
15 have engaged in protected activities. We are
16 looking forward today to your ideas on what
17 actions NRC should consider to cause licensees
18 to foster an atmosphere where individuals with
19 potential safety concerns are encouraged to
20 come forward. I want to emphasize that our
21 purpose today is not to debate or resolve
22 specific cases, but rather to gain ideas on
23 how to improve the current regulatory system.

24 The ground rules for this meeting
25 will be that persons who desire to speak will

1 need to sign up at the table in the back of
2 the room. I will call the speakers to the
3 microphone here in the front of the room in
4 order of sign up. As I call each speaker, I
5 will announce who the next speaker will be.
6 Speakers will be initially allocated ten
7 minutes to make their presentation. At the
8 end of the time if the speaker is not
9 finished, I will ask the speaker to promptly
10 conclude his or her remarks. During or after
11 each presentation, we may ask questions to
12 make sure that we understand the concern or
13 issue. We do not intend, however, to debate
14 the merits of the comments. Please do not
15 take our silence to mean that we either
16 disagree or agree with the comments.

17 If after all of the persons who are
18 interested in speaking have made their initial
19 remarks and there are persons who desire to
20 make additional comments, we will, if time
21 remains, go through a second round of
22 comments. There will also be an opportunity
23 to provide comments tomorrow morning after the
24 licensee has completed their presentations.
25 Alternatively, speakers, and let me emphasize,

1 anyone else, if they have not done so, are
2 free to provide us written comments in
3 response to the Federal Register Notice.
4 Again, we have copies of that Federal Register
5 Notice on the back table.

6 We welcome each of you here today and
7 appreciate your taking the time to be with us.
8 Again, if you desire the speak, feel free to
9 sign up at the back of the room.

10 This is a transcribed meeting. It
11 will be helpful if each speaker will provide
12 some background on their past involvement in
13 the industry, so we can better appreciate the
14 comments.

15 We now begin with Sandra Shaw, to be
16 the first speaker, and following Mrs. Shaw
17 will be Wayne Shaw.

18 SANDRA SHAW: Good evening. My name
19 is Sandra Shaw. I am Executive Vice-President
20 of the Brazosport Area Chamber of Commerce.
21 The Brazosport area has a population of
22 approximately 65,000 to 70,000, many of which
23 work for HL&P at the South Texas Project and
24 we find them to be very good neighbors. They
25 are involved in municipal committees. They

1 are involved in mentoring and tutoring in our
2 schools. They are involved in Chamber work,
3 and also volunteers at the hospital. We find
4 that the plant has made a great economic
5 impact on our area and we are very glad that
6 they are here. Thank you.

7 CHAIRMAN LIEBERMAN: Thank you. Mr.
8 Shaw, and then the next speaker will be Mr.
9 Bohner.

10 WAYNE SHAW: My name is Wayne Shaw.
11 I am with Eagle Communication Group and we
12 rent audio-visual equipment and training
13 materials to the petrochemical industry in
14 the Brazosport area.

15 And on a daily basis, I work with
16 safety people of all levels within the
17 petrochemical industry and I have heard a lot
18 of the comments that have been made about the
19 plant and I personally have taken it upon
20 myself to look into it and talk with the
21 people that have been involved in our
22 community and compare them to the comments and
23 responses that we get at the petrochemical
24 group. I don't find that it's anything of
25 concern to me because I was concerned because

1 of the publicity that it had been getting, but
2 I feel very comfortable with it now and I am
3 very glad to have the STP group as a neighbor.

4 CHAIRMAN LIEBERMAN: Thank you. The
5 next speaker is Mr. Bohner, followed by Mr.
6 Hutchins.

7 DON BOHNER: My name is Don Bohner.
8 I have been employed at STP for 14 1/2 years.
9 During that time, I have identified many
10 nuclear quality concerns to management. I
11 have never feared or received any type of
12 retaliation for identifying these quality
13 concerns to management. Thank you.

14 CHAIRMAN LIEBERMAN: Thank you. Mr.
15 Hutchins, next, and then Mr. Novosad, if I
16 pronounce that name right.

17 ELBERT HUTCHINS, Ph.D.: Thank you,
18 Gentlemen. My name is Elbert Hutchins. I am
19 President of Wharton County Junior College
20 and, of course, in that capacity I am neither
21 an employee nor a licensee of HL&P or the
22 South Texas Project. However, we do consider
23 ourselves a partner institution with HL&P and
24 the South Texas Project on a number of
25 projects. Most recently, it has been the

1 development of educational programming to
2 support the employees of the South Texas
3 Project. Management has made available their
4 own training facilities for us to use in that
5 respect. Not only this, but they have been
6 very interested in a number of our technical
7 programs at the community college. They
8 provide their own personnel to serve on
9 advisory committees for our instructional
10 programs and the program that they are most
11 interested in at this point is our Electronics
12 Technology Program. Again, we have members of
13 their management and employees on our advisory
14 committee on that program. They are providing
15 two student scholarships for that program and
16 we are actively visiting with them in terms of
17 providing some up to date equipment for our
18 electronics program. They work, also, with
19 the University of Maryland in an external
20 program for nuclear engineering technology.
21 The community college has been also involved
22 in that program, providing instructional
23 classes at the freshman or sophomore level for
24 a number of their students and they will have
25 their first graduating class, I understand,

1 this Saturday in that program, supporting the
2 training and professional development of their
3 employees.

4 I have found that the management of
5 South Texas Project to be extremely
6 cooperative in the programs that we have
7 cooperated with them on. I believe that they
8 are men and women of high integrity and I
9 believe that they are people that genuinely
10 can be counted on to support safety issues and
11 safety management practices and I believe that
12 they are doing so and will continue to do so
13 in the future.

14 They also employ a number of our
15 graduates and on occasion, I have had an
16 opportunity to visit with those graduates
17 about their general impressions of their work
18 and to this point I have received nothing but
19 uniform praise for their employment at the
20 South Texas Project. From our electronics
21 technology program alone, we have eleven of
22 our graduates placed with the South Texas
23 Project and within the past week I have had an
24 opportunity to visit with two of those
25 graduates and they are very, very

1 complimentary about their work. They give the
2 college, of course, a lot of credit for giving
3 them the technical expertise to do the work
4 that they are doing, but they also are very
5 complimentary of their employer and they have
6 had opportunity to progress professionally
7 within their job, to get a number of
8 promotions and I did not receive a single
9 negative comment from the two graduates that I
10 visited with this past week.

11 So I would say that while any
12 operation the size of Houston Lighting and
13 Power or the South Texas Project may from time
14 to time have personnel concerns, I think on
15 the whole that it's a well managed, well
16 operated company and I am proud to be part of
17 the South Texas community, serving as a
18 partner with HL&P in the South Texas Project
19 and delivering educational programs for their
20 employees and for the citizens of this area.
21 Thank you.

22 CHAIRMAN LIEBERMAN: Thank you. The
23 next speaker will be Mr. Novosad, followed by
24 Mr. Hess.

25 MAYOR GARLAND S. NOVOSAD: Ladies and

1 gentlemen, I am Garland Novosad, the Mayor of
2 the City of Wharton.

3 It has been has been my privilege to
4 serve in city government over the last 14
5 years, and during that time to have a very
6 close working relationship with the staff from
7 Houston Lighting and Power and on occasion
8 with people with the South Texas Project. The
9 entire issue, I think, revolves around
10 quality, and I will tell you this, in that 14
11 years I have never once had any staff member
12 from HL&P do anything but quality work when it
13 involves safety concerns, or otherwise. Our
14 city has had just a tremendous relationship
15 with them and I find it to be very foreign to
16 expect anything less than that from the staff
17 of HL&P.

18 I agree with Dr. Hutchins that at
19 times a company as large as Houston Lighting
20 and Power may have some things that need
21 adjustment, but I am very, very confident,
22 quite frankly I have no concerns whatsoever,
23 that it will be taken care of fairly and in a
24 very professional manner and in the highest,
25 highest manner that it can be handled. Thank

1 you very much.

2 CHAIRMAN LIEBERMAN: Thank you. The
3 next speaker is Mr. Hess, followed by Roy
4 Sheary.

5 DAVID L. HESS: Good evening. My
6 name is David Hess. I am an HL&P employee. I
7 am currently the supervisor of contract
8 administration at the station and I appreciate
9 this opportunity to speak to the Commission
10 about my employment association with the
11 station and its management. I have been an
12 HL&P employee for ten years. Of that ten
13 years, five of those years have been spent at
14 the South Texas Project. This is my second
15 tour of duty, as I like to call it, with the
16 plant. I originally was here in '87 through
17 '89, which is the construction period, and
18 have since reported again beginning in '92 to
19 today.

20 I wanted to say that I have always
21 felt a very open management atmosphere
22 regarding the interaction and exchange of
23 information -- particularly safety related
24 information. I acknowledge that in the
25 procurement business, we don't necessarily

1 always have access to that that type of
2 information, but I have never felt intimidated
3 nor not -- I have never felt like if I had
4 that information that I would not be able to
5 bring it forward properly and in dealing with
6 the contractors that I deal with from a day to
7 day basis, I have never had any types of
8 problems or they have always expressed their
9 sincere feelings that they can exchange that
10 type of information also and, in fact, we
11 encourage that kind of information and it's
12 very disheartening to see media coverage of
13 what has been going on because working as an
14 employee, I know for a -- I know very strongly
15 in my heart and in day to day dealings that it
16 is just not true and that is really all I
17 wanted to say.

18 CHAIRMAN LIEBERMAN: Thank you.

19 MR. HESS: Thank you.

20 CHAIRMAN LIEBERMAN: Mr. Sheary, and
21 then followed by Mr. Willy.

22 JUDGE LOY E. SHEARY: Gentlemen, I am
23 Loy Sheary. I am County Judge of Matagorda
24 County. And I am pleased to be here with you
25 this evening. As County Judge, one of the

1 jobs that I have is Emergency Management
2 Director for Matagorda County. As Emergency
3 Management Director, I have had the privilege
4 of working with a number of the staff people
5 at the South Texas Project and Houston
6 Lighting and Power and the professionalism
7 that they have displayed while I have been
8 County Judge in that capacity of Emergency
9 Management Director has been very high. The
10 responsibility that we have and the team that
11 we have, our Emergency Management Team, when
12 we activate the Emergency Operations Center,
13 and we have had several practices, has been
14 most appreciated. The citizens, I think, of
15 Matagorda County are most appreciative of the
16 professional approach that STP has taken
17 towards emergency management. The management
18 I have been in contact with and several of
19 those I have met and visited with have been
20 very accessible to the community, to the
21 county, to the citizenry of Matagorda County.
22 They have had numerous meetings. They had one
23 right here in this very room one evening where
24 they opened it up to all of the citizens of
25 this part of the county. Just last, I believe

1 it was, Thursday night they had another
2 meeting down in the Palacios area, one of our
3 other towns here in Matagorda County, where
4 they met with citizens and they were
5 accessible just in a room where the citizens
6 could come up and ask questions.

7 For that, I am very appreciative and
8 for the South Texas Project and all of the
9 folks that work there and the amount of
10 community involvement that almost all of those
11 people have, we are very grateful. Thank you.

12 CHAIRMAN LIEBERMAN: Thank you. Mr.
13 Willy.

14 JOHN WILLY: Gentlemen. My name is
15 John Willy. I was in the legislature from
16 nineteen -- I was elected in 1984, the Texas
17 Legislature, and during that time, watched the
18 plant, nuclear plant, grow over here. We had
19 a lot of people from Brazoria County, which
20 was my district, working in the plant over
21 there. Through the years, I have had the
22 opportunity to work with HL&P, with their
23 management and with their people that have
24 operated the plant. I have made numerous
25 trips over here and have gone through the

1 plant and met a tremendous number of people.
2 Being in the legislature, we meet a lot of
3 people. We become a crying shoulder for just
4 about every problem that comes up.

5 I think that if the situation were as
6 has been portrayed and was the severity that
7 has been portrayed, I would have heard about
8 it. I have been out of the legislature since
9 January of this last year, but still maintain
10 a tremendous number of contacts with the
11 people over here and I think that I would be
12 one who would see, recognize and know the
13 people involved. I think that through my
14 years of dealing with HL&P, I have found that
15 they are beyond reproach on their safety
16 record and dealing with safety problems. I
17 appreciate what they have done, I appreciate
18 how they have done it, and we in Brazoria
19 County, and I speak for a lot of people,
20 support them and I appreciate it. Thank you
21 all.

22 CHAIRMAN LIEBERMAN: Thank you. The
23 next speaker is Tom Uher.

24 SPEAKER PRO TEM TOM UHER: Mr.
25 Chairman and Members of the Committee, I am

1 Tom Uher. I am currently the Speaker Pro Tem
2 of the Texas Legislature. I am a resident of
3 Bay City and have lived here all of my life
4 and am quite familiar with this plant. I have
5 had the advantage, I suppose, of having seen
6 this project from its inception until its
7 conclusion and then its operation and during
8 this period of time I have had the opportunity
9 to be present on site during the construction
10 period and also in the operation period. At
11 no time have I ever seen, nor have I ever
12 heard, of any disregard for public safety and
13 for those who work within the plant. I can
14 tell you that during the 20 some odd years
15 that this plant has been either on the paper
16 being proposed and through its conclusion, I
17 have had the opportunity to know many of the
18 folks who have worked there, from the lowest
19 echelon through the highest administration and
20 in these visits I have had an opportunity to
21 share with them in that plant, I have a great
22 deal of curiosity, I have found that to a man
23 all of them stressed safety and I am quite
24 convinced that this plant is a good plant,
25 that it is safe for the people who live in

1 Matagorda County, of which I am one, and that
2 it is a plant that can produce electricity at
3 a very fair cost to all of the consumers.

4 I currently am a businessman here. I
5 am an attorney here. I own a farm and my farm
6 is only probably about as the crow flies not
7 more than eight or ten miles. I can tell you
8 that I know the people who live around the
9 plant and to this good day none have ever
10 expressed to me that there was a lack of
11 safety or a concern for safety. They are
12 quite familiar with it. The HL&P people have
13 gone out of their way to advertise the safety
14 features, to explain the safety features and
15 to implement those features. It has been an
16 open-door policy and I have had an opportunity
17 to have witnessed that firsthand, along with
18 many other citizens of this county.

19 So I am here in support of the
20 project. I think it is a well run plant. I
21 think the leadership of HL&P is sound and I
22 think that those problems that perhaps have
23 been identified can be corrected and corrected
24 quickly and promptly and certainly we will see
25 a great deal more efficiency. I thank you for

1 the opportunity to be here with you tonight.

2 CHAIRMAN LIEBERMAN: Thank you. Is
3 there anyone else who might want to speak
4 tonight on ways to raise concerns and how your
5 employer provides avenues for raising safety
6 concerns?

7 If not, since this meeting is
8 scheduled to last until 9:00 this evening and
9 others may be coming later on, I suggest we
10 take a recess until 7:00 and see if anyone
11 else comes and desires to speak.

12 Thank you.

13 (At this time the
14 proceedings were held in recess from
15 6:30 p.m. until 7:00 p.m. at which
16 time the following proceedings
17 occurred.)

18 CHAIRMAN LIEBERMAN: If we could
19 resume now. We have a few more people who are
20 interested in speaking tonight. I should also
21 add, I recognize speaking in front of a
22 microphone some people may not feel
23 comfortable in doing so. Those individuals
24 should feel free to write us. The address is
25 on the Federal Register Notice, which is on

1 the back on the table or individuals should
2 feel free to give me a call at my office. I
3 will give you my number, it is 301 504-2741,
4 or come up to me afterwards and get my number.
5 We are really looking for ideas on how to make
6 this process better. We had a lot of comments
7 at the first session about South Texas. Our
8 focus is not on South Texas, but rather how we
9 can improve the industry as a whole and the
10 NRC regulatory process. You don't have to
11 identify yourself if you choose to be a
12 speaker. We are looking for ideas and we
13 welcome your thoughts.

14 The next speaker will be Terry
15 Raynes, followed by Roland Fotter. Terry.

16 TERRY RAYNES: My name is Terry
17 Raynes and I was asked to come here this
18 evening and my intention was to come and
19 listen. From what I hear, we have got a good
20 public relations deal going and that is good
21 because we need all of the help that we can
22 get. But everyone in here knows that we are
23 not as squeaky clean as that and we are not as
24 bad as the Chronicle paints us to be. I have
25 been at the South Texas Project five years. I

1 have spoken out twice. Both times, I was
2 asked to leave my name. I don't think that's
3 good. I have got an interview Thursday. They
4 are changing that. We have got independent
5 people coming in to see if we can make it
6 better.

7 We had a climate assessment a couple
8 of years ago and some of the things that were
9 brought up during it are being acted upon. We
10 have had problems in the past, but that's what
11 it was: It was in the past. We have a new
12 leadership team. We are having management
13 turnarounds and the new people seem to be very
14 supportive and outspoken about us bringing
15 forth our fears and so, once again, we are not
16 perfectly clean, but, hey, we are not terrible
17 either. Thank you.

18 CHAIRMAN LIEBERMAN: Thank you. The
19 next speaker is Roland Fotter, followed by Ken
20 Bryan.

21 ROLAND FOTTER: Mr. Chairman.
22 Members of the Committee.

23 My name is Roland Fotter. I am an
24 electrical maintenance supervisor. I have
25 been employed with HL&P since January of 1987.

1 I have been in the power industry since 1957.
2 I have worked at many nuclear power plants and
3 I would like to say that I am very proud to be
4 a member of the Maintenance Division here at
5 STP.

6 As a supervisor in electrical
7 maintenance, I have had up to five crews work
8 with me during the start up and operation of
9 the power plant. We have had many problems as
10 far as concerns. I have never experienced a
11 problem and I am proud to say that we have
12 always taken care of the problems that have
13 been reported to us. I am also proud to say
14 that the Electrical Maintenance Division at
15 STP has a strong feeling of ownership. This
16 is our home. We want our home to be safe and
17 so we strive for that. We expect with the
18 processes that we have in place that we should
19 not have any safety concerns or problems where
20 there would be any show of intimidation. I
21 feel that our problems are taken care of. We
22 have open door policies and everybody that I
23 am associated with wants our plant to be a
24 very safe plant. Thank you very much.

25 CHAIRMAN LIEBERMAN: Thank you. The

1 next speaker is Ken Bryan, followed by Lynn
2 Davidson.

3 KEN BRYAN: Good evening. Can you
4 all hear all right? Is that far enough up
5 high?

6 Okay. My name is Ken Bryan, from
7 Austin, Texas. And I am a staff assistant to
8 Congressman Greg Laughlin. And at this time,
9 I would like to read a statement from
10 Congressman Laughlin who could not be here
11 tonight.

12 CHAIRMAN LIEBERMAN: Very good.

13 KEN BRYAN: Okay. Titled, "Statement
14 On Behalf of Congressman Greg Laughlin, 14th
15 Congressional District of Texas.

16 "I would like to welcome you to Texas
17 and to Bay City, site of Texas' first nuclear
18 power plant. The South Texas Project is
19 vitally important to the economy of the region
20 and to the entire state. The plant has also
21 been a good neighbor to this community. Its
22 employees have made valuable contributions to
23 the culture and to the well being of the area.
24 For all of these reasons, the members of this
25 community strongly support the plant and look

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forward to an early resumption of full power operation.

"I understand that your mission is to gather information and views about the adequacy of the measures that protect employees who raise safety concerns from discriminatory treatment. Issues of this type are extremely delicate and warrant caution and serious thought. I am therefore encouraged by the fact that the NRC has made this effort to gather information from a broad cross_section of plant employees and others in the local area. I hope you return to Washington with a clear picture.

"People who raise safety concerns are performing a valuable service to both their employer and the public. In my experience, this has always been recognized by South Texas Power and the management has consistently supported and encouraged this type of communication. It is inevitable that differences develop regarding the management of particular concerns. We must remember that such matters involve complex human interactions. The question before you is

1 this: Does this situation call for additional
2 regulations, procedural changes or new laws.
3 In my opinion further regulations will only
4 complicate the already delicate area of labor
5 relations, interfering with the ability of
6 employees and management to compromise and
7 reach agreement. The present distribution and
8 responsibilities between the NRC and the
9 Department of Labor under the Energy
10 Reorganization Act works well and is generally
11 efficient. I hope this investigation confirms
12 this notion or leads to an easy, efficient
13 resolution.

14 "Thank you for this opportunity to
15 express my views on this subject." And that
16 is the end of his statement. I have also been
17 asked by State Senator Ken Armbrister to
18 present you a written statement on his behalf
19 also.

20 CHAIRMAN LIEBERMAN: Okay. We will
21 put that in the record if you will give that
22 to us. Thank you.

23 KEN BRYAN: Thank you, sir.

24 (At this time Commission Exhibit
25 No. 1, a letter to the NRC Review

1 Team from Ken Armbrister, State
2 Senator, District 18, dated September
3 20, 1993 was marked for identifi-
4 cation by the court reporter
5 as Exhibit No. 1 and is attached at
6 the end of this transcript.)

7 CHAIRMAN LIEBERMAN: The next speaker
8 is Jerry Diegel, followed by David Hoppes.

9 JERRY L. DIEGEL, III: Yes. My name
10 is Jerry Diegel. I work for the Electrical
11 Department at STP.

12 I have been out here for six years
13 and in all of that time, we have had an
14 open-door policy. If you want to talk to your
15 foreman, all the way up to the vice-president,
16 you don't have any problems doing so. I also
17 recently visited D. C. Cook Power Plant up in
18 Michigan this past week and after seeing and
19 observing on how they do things, I have come
20 to the conclusion that we have the
21 professionalism, the skills and the knowledge
22 that will equal or surpass any nuclear plant
23 in this world. And thank you.

24 CHAIRMAN LIEBERMAN: Thank you. The
25 next speaker is David Hoppes, followed by

1 Dennis Keating.

2 DAVID HOPPES: David Hoppes. I am an
3 Engineering Manager in Plant Engineering. I
4 have been at South Texas for five years and I
5 have been in industry for 21 years.

6 I have never been intimidated not to
7 bring forward safety questions in engineering.
8 It's always been an open door policy. We have
9 informal, as well as formal mechanisms, and I
10 saw in the summer of '92 a real change toward
11 a proactive approach by our management to
12 bring out, to have people bring out, safety
13 questions that they saw. I think we are
14 improving in that and have potential to be as
15 safe as any plant in the country.

16 CHAIRMAN LIEBERMAN: Thank you.
17 Dennis Keating.

18 DENNIS KEATING: My name is Dennis
19 Keating. I have 20 years of commercial
20 nuclear experience and I have worked at South
21 Texas Project for the last 12 years. I have
22 spent much of that time in the quality
23 assurance organization and in that capacity,
24 and the other capacities I have held, have
25 identified many quality issues. I have

1 considered that the processes have always
2 existed for identifying those issues and they
3 continue to exist today and work and they have
4 been improved upon considerably and I have
5 never had a problem as a result of identifying
6 the many quality issues that I have. Thank
7 you.

8 CHAIRMAN LIEBERMAN: Thank you. The
9 next speaker is Larry Crews.

10 LARRY CREWS: My name is Larry Crews.
11 I have been employed with South Texas Project
12 since 1984. I was born and raised in Bay
13 City, Texas. And as far as safety concerns, I
14 work in Chem-Opps, and we don't -- in Chemical
15 Operations within Tech Services, we don't
16 interface a great deal or deal with equipment
17 for safe shutdown of the plant besides our
18 fire brigade leader duties, which I am -- and
19 we have to maintain our knowledge by you all's
20 NRC TN CFR, as a licensed operator, or
21 equivalent knowledge, and that is as far as it
22 goes for us on Tech Services.

23 But one thing I did notice, since
24 they had a big management change, they have
25 loosened up what they call their purse strings

1 in getting money released from the budget to
2 repair our equipment, because most of our
3 equipment has been broken, not operational,
4 lots of operator work-arounds, especially on
5 the CP system, NC system or yard systems.
6 They still have got a long ways to go, but
7 it's a whole lot better than it was a year ago
8 or two years, but we are seeing work done on
9 there, but it still needs a lot more to be
10 done on our equipment that needs to be fixed
11 to -- when we bring up this plant and then
12 when we do bring up this plant we will find
13 out all of the work that they done on the CP
14 system, you know, what has been done correctly
15 and what is working properly and whatever else
16 needs to be fixed. I hope that they continue
17 on with the same diligence, that management
18 has started at beginning this year will
19 continue on far into the future, but we need
20 to get our equipment fixed and fixed right the
21 first time and if it means shutting it down to
22 get it fixed, that all of these operator
23 work-arounds, I hope they do that in the
24 future, but, you know, keep my equipment
25 fixed, make my job easier for me and for the

1 rest of my operators. That is all I have to
2 say.

3 CHAIRMAN LIEBERMAN: Thank you. Do
4 we have any other individual who desires to
5 speak, if you will come to the microphone?

6 HOWARD ALLGEYER: Hello. My name is
7 Howard Allgeyer. I am shift supervisor for
8 the South Texas Project. I have been with the
9 South Texas Project for about ten years now.

10 I just wanted to say that I have
11 never feared retribution, nor do I know
12 anybody who has feared retribution to bring up
13 safety issues with South Texas' management. I
14 also would like to say that if I ever feel
15 like I need to shut the plan down due to a
16 safety concern or issue, I am not afraid to
17 shut it down in any way. I do not fear any
18 retribution in any way from our management.
19 Our job, having the license at STP, is
20 protection of the health and safety of the
21 public and I assure you that that is the
22 number one priority at the South Texas
23 Project. Thank you.

24 CHAIRMAN LIEBERMAN: Thank you. In
25 the red shirt.

1 LYNN DAVIDSON: My name is Lynn
2 Davidson. I am with the Electrical
3 Maintenance Planning Department. I have been
4 with HL&P about a year and a half and I came
5 out to work at STP in 1984 as a contractor, as
6 an apprentice. I have seen my share of
7 concerns. As of late, we have fixed a lot of
8 what we consider safety concerns. I think
9 what you are looking for is a way to improve
10 the process. Just by virtue of the fact that
11 we got the buy-in from the people that we deal
12 with, that we handle these issues as they come
13 up. I am -- I am one of those guys that
14 whenever they do have a problem, I am what
15 they call -- do call an owner, they come up to
16 us and they express their problem and I have
17 never had a problem with a man telling me that
18 he has a problem. I have never had a problem
19 with calling anybody and telling him that we
20 had a safety issue and I assume that is
21 because we got the buy-in from everybody
22 there. The process is there. You just have
23 to get everybody to do it. You have to get
24 everybody to want to. We seem to have that,
25 so I can say that I don't think our process

1 needs to be fixed. If we have some people
2 that have problems with with it, then we will
3 address those, but I haven't seen that within
4 what I see day to day. And we are the nuts
5 and bolts guys. We do see it from when the
6 SPRs are written until the time that they are
7 completed. We do deal with all of the guys
8 that answer the SPRs and licensing people. As
9 long as everybody gives their buy-in, you
10 don't have a problem and as far as I am
11 concerned, we don't. Thank you.

12 CHAIRMAN LIEBERMAN: Thank you.

13 WAYNE HARRISON: Thank you. My name
14 is Wayne Harrison. I am a supervising
15 engineer in licensing. I have worked at HL&P
16 for 15 years, 13 of which are on STP. I have
17 never felt intimidated about raising safety
18 concerns and I have raised issues. I have
19 never seen HL&P management try to suppress the
20 raising of a safety concern, nor have I
21 perceived that raising a concern was anything
22 other than what was expected. I believe
23 management expects and promotes identification
24 of problems. Problem identification has been
25 stressed at many meetings and in policy and

1 procedures.

2 With regard to the NRC regulations,
3 it is my personal belief that the NRC
4 regulations are adequate and no major
5 revisions are required. It is also my
6 personal opinion that the NRC's process can be
7 improved by promoting more direct interaction
8 between the allegor and the licensee. Thank
9 you.

10 CHAIRMAN LIEBERMAN: Thank you.

11 Anyone else?

12 Then let us take another recess until
13 8:00, and then we will resume at that time.

14 (At this time the
15 proceedings were held in recess from
16 7:30 p.m. until 8:00 p.m. at which
17 time the following proceedings
18 occurred.)

19 CHAIRMAN LIEBERMAN: It's now 8:00.

20 If there is anyone else who would like to
21 speak, feel free to come up to the microphone.
22 I want to say again, as I said earlier, we are
23 interested in comments. The address to write
24 us, if you prefer writing to us, is on the
25 back of the Federal Register Notice. You can

1 call me at my office. My number, again, is
2 (301) 504-2741. We are interested in getting
3 any ideas on how to make the process better.
4 Is there anyone who would like to speak now?
5 If not, we are going to stay here until 9:00.
6 If you want to speak, come up to one of -- and
7 we will reconvene the meeting. Those of you
8 who want to stay, stay. Those of you who
9 would like to leave, you are free to leave. I
10 guess we will reconvene at a quarter to nine
11 to see if there is anybody else who wants to
12 speak. Thank you.

13 (At this time the
14 proceedings were held in recess from
15 8:10 p.m. until 8:45 p.m. at which
16 time the following proceedings
17 occurred.)

18 CHAIRMAN LIEBERMAN: Shall we resume?
19 We have two individuals interested in making
20 comments.

21 First is Erin Woody, and then
22 Mr. T. Smith. Mr. Woody, do you want to come
23 to the microphone?

24 ERIN WOODY: I am Erin Woody. I have
25 been employed at HL&P as an INC technician for

1 six years. In all of the six years I have
2 been there, I have never once heard the hint
3 of fear that going to Speak Out would result
4 in some retaliatory action, that it would be a
5 career-limiting move. I don't know that
6 anybody goes in fully expecting anonymity
7 because in the case of an investigation, a
8 thorough investigation, the profile of the job
9 would be such that it wouldn't take a rocket
10 scientist to figure out who the individuals
11 were. I don't think that you could ever
12 guarantee anonymity. But I have also never
13 heard of anyone expressing that after going to
14 to Speak Out that they they had felt that they
15 had been pushed aside not considered for any
16 promotions or felt any retaliation whatsoever.
17 I think our program has been effective.
18 Sometimes it may take a little bit longer than
19 normal, but I think overall the Speak Out
20 Program at STNP has been very effective in
21 resolving problems getting to the root of the
22 matter and ensuring that the right thing was
23 done.

24 CHAIRMAN LIEBERMAN: Thank you. Mr.
25 Smith.

1 THOMAS SMITH: Hello. My name is
2 Thomas Smith. I first went to work for Ebasco
3 Constructors in 1983 at the South Texas
4 Project. I started having problems with
5 Ebasco, not HL&P. The first I would like to
6 say is that most of this forum seems to be
7 geared to not really the problems that the
8 individuals have, and I don't think it's HL&P
9 so much. I think HL&P has good management,
10 good guidance. I think the contractors seem
11 to not adhere to the rules as HL&P has wrote
12 them and that has been my understanding. I
13 have had point blank interviews where the
14 rules were to be violated at all times. I
15 went to the Speak Out Program due to the fact
16 that my management would not take an
17 aggressive outlook at what I was saying. I
18 went to them at numerous times. Once again,
19 it's not -- I am not going to really get into
20 my problem. The problem is that I understand
21 you all are trying to figure out how to make
22 the program work better. I think the way the
23 program is geared right now when an individual
24 goes to Speak Out, first, most times an
25 employer knows you are going to Speak Out.

1 You don't have to tell him that, but if you
2 don't, then comes a problem, "Where were you
3 at? Why weren't you at your job placement?"
4 If you go to the NRC, you still have the same
5 problem. I know in my instances when I went
6 to the NRC and I went to Speak Out, I was
7 completely harassed in the work place at all
8 aspects of it. There is nothing ever told to
9 the individual at the job that in order to be
10 protected, going to Speak Out will not help
11 you at all. You have to go to the NRC.

12 In my instances, I did go to the NRC.
13 I filed an EEOC complaint and your EEOC
14 complaint does not work for the workman at
15 all. I filed a complaint December the 16th of
16 1991. There was no investigation at all,
17 none. The guidelines state -- which is their
18 guidelines -- the complaint was a good
19 complaint, told to me, and their guidelines is
20 they would contact me in 30 days if they
21 couldn't come to a mutual agreement or they
22 would go to a complete investigation within 90
23 days, but no matter what in 90 days I would
24 get a reply. Ninety days came up. I heard
25 nothing from them. A year later, one year,

1 over a year, excuse me, in January of 1993, I
2 got a reply from the EEOC. Their reply was
3 that they were understaffed and didn't have
4 the manning, the federal government dictates
5 guidelines to them that they cannot adhere to.
6 They don't understand their problems and my
7 case was just one of those cases that they
8 didn't have time for. The problem was that
9 the individual that was investigating it
10 didn't do his job. They said he took an early
11 retirement. They called me on Monday and said
12 they had to have this case done by Friday,
13 they didn't have time for any investigation.
14 They did not contact anyone except my
15 employer. They came back with a -- with a
16 judgment for my employer, which was Ebasco,
17 for something that I didn't even have a
18 complaint about. That wasn't even what my
19 complaint was in reference to. That is where
20 the real problem is. The EEOC does not help
21 the workman. I think the guidelines the way
22 this HL&P have set up are good. I think they
23 mean good. I do not think the way they were
24 prior to this year that HL&P took a stern look
25 at the problems that the workman was having.

1 And I am not talking about HL&P. Once again,
2 I am talking about contractors. That is where
3 the big push is. That is where the
4 overlooking of work packages is. Due to my
5 investigation, it was documented, no work
6 packages. Men were told not -- to do the work
7 without work packages, using closed-out work
8 packages. I even turned in a welder for
9 welding inside the RCB, unit two, secondary
10 shield wall. HL&P Speak Out Allegation came
11 back and said they could not substantiate it,
12 but when I subpoenaed the Speak Out records,
13 it is funny to find out that the individual
14 was found and he admitted to doing it.

15 So as an individual, when I have a
16 complaint and I go to them and I think that
17 that's true, they are going to do what is
18 right and they come back and tell me that they
19 can't substantiate it, but when I subpoena the
20 records, I find out that the individual did
21 admit to doing the welding, it makes me as an
22 employee or as a worker on the job have second
23 thoughts of going to the light company. Once
24 again, I think the plant is a good plant. I
25 think it is a clean plant.

1 There are some problems, in my
2 opinion, in security. You can go out there
3 with a visitor. You can lose your visitor.
4 You don't even have to have him with you as
5 long as you have him once you go inside the
6 protected areas or once you go in the
7 protected areas. I am talking about MAB, IBC,
8 fuel handling. As long as you don't lose him
9 in another door, you can lose him. There are
10 no guidelines. I have done it. I have been
11 there personally. I have even turned myself
12 in for doing this and I was told by security
13 come in the next day and make a report. It
14 was substantiated. A report was instigated to
15 the NRC, but I have even, at times, when I was
16 at one time being escorted, my escort left the
17 protected area completely and left me inside
18 the protected area. I told the security
19 guard, "Hey, there goes my security."

20 "Oh, it's all right. Go ahead."

21 I thought he was supposed to go behind me not,
22 in front of me.

23 The real problem is, though -- is
24 that when you speak up, there is a true fear
25 among employees of contractors that you just

1 go along with the flow. You don't say
2 anything.

3 Sure, your job is not supposed to be
4 threatened. You are not supposed to have any
5 kind of problems. But it's funny, the first
6 time I went to my employer and I reported
7 something, absolutely nothing was done,
8 nothing. And when I went to that Safety
9 Department of Houston Lighting and Power,
10 absolutely nothing was done. But I went to
11 the NRC, and at a nuclear technology school,
12 he said he would take care of it and he took
13 care of it the next day.

14 Two years later, the problem was
15 still going on -- two years later. Nothing
16 was done. Several meetings, the problem was
17 still there. There -- there are just too many
18 things going on out there that I don't believe
19 HL&P is aware of it. I think that they mean
20 good. I think that they want to do good. I
21 think that they are trying to do good. It is
22 just like here, you have this forum for people
23 to come up here and say things that they think
24 will help, but you are intimidated by coming
25 up here. It is not a good -- a good deal.

1 Why should we be intimidated? We feel we are
2 right. Why do you think we stand up? Why do
3 you think we throw everything away? Do you
4 think we just do it to do it?

5 I worked out there since '83. You
6 know, people don't just come up -- they take
7 it for so long, they look the other way for so
8 long, but when you are told you are not going
9 to work without a work package, then God
10 bless, I am not going to work without a work
11 package, but if you don't work without a work
12 package, who do you think is going to end up
13 in trouble now?

14 I realize that HL&P, now, today in
15 the last eight months, has taken a different
16 approach, but I think it is you all,
17 Gentlemen, the NRC, who has brought it to
18 this. I don't think that if the NRC would
19 have not stand in or stepped in, it would have
20 ever came to it. It would have just gone on
21 the way it was, everything on the back burner,
22 "Let's do the job. Let's hurry up. Let's
23 hustle."

24 The biggest problem you see is during
25 the outages. You bring in so many people, you

11
1 are working at such a fast pace, that you
2 don't have time to sit here and think. You
3 don't have time to sit here and say, "Hey, we
4 can't do the job." "You have to do the job or
5 we will get somebody who can do the job."
6 That is why there are so many problems. That
7 is why these people make these human errors.
8 They don't mean to make human errors. They
9 don't go out here to do this. And I don't
10 think -- once again, HL&P is a good company.
11 I think they are good for the area. If they
12 will get their act back together -- I think
13 they are working to get their act back
14 together, but the way it is right now when an
15 individual goes to the NRC -- first, in my
16 instance, when I went to the Speak Out, the
17 NRC, Joe Toppy, said, "Don't worry. I will
18 just get a copy of it from up there." He is
19 talking about go to the Speak Out and get a
20 copy of it. He said they always give it to
21 them. But when I subpoena records -- and I
22 think another problem is when I subpoena
23 records, as an individual, and I am given a
24 complete record of everyone's interview that
25 was interviewed during these cases, I think

1 it's a travesty to the individuals that were
2 brought in and said they would not be
3 relinquished. "Here is their names. Here is
4 their employment numbers." It is wrong. If
5 you go up there, it ought to be kept
6 confidential. You shouldn't have to give it
7 out.

8 But, once again, that is neither here
9 nor there. I received a letter from the NRC
10 asking for my comments and I did not give
11 them. I will send a letter. I think that --
12 once again, I want to emphasize that I think
13 that the plant is good for the area. I have
14 lived in this area all of my life. And the
15 plant will be back on line, I am sure, and it
16 will do a good job. Thank you.

17 CHAIRMAN LIEBERMAN: I appreciate
18 your comments.

19 Anybody else who would like to speak? then
20 I call the meeting over.

21 Thank you.

22 (At this time the
23 proceedings were held in recess from
24 9:15 p.m. until the following
25 morning, September 21.)

PUBLIC MEETING

NUCLEAR REVIEW COMMITTEE REVIEW TEAM

ON PROTECTING ALLEGERS

I, ERNIE J. AMBORT, JR., Certified Shorthand Reporter in and for the State of Texas, hereby certify that the foregoing 52 pages are a true and correct transcript of the proceedings had before the Nuclear Regulatory Commission Review Team, James Lieberman, Chairman on September 20, 1993, at the Matagorda Hotel, Bay City, Texas, from 6:00 p.m. until 9:15 p.m.

Given under my hand and seal of office on this the 22nd day of September, 1993.



ERNIE J. AMBORT, JR., CSR

Certificate No. 952

Date of Expiration: 12-31-94

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KEN ARMBRISTER
District 18

Committees

Chairman - INTERGOVERNMENTAL
RELATIONS
FINANCE
NATURAL RESOURCES
NOMINATIONS
SUB-COMMITTEE ON WATER

September 20, 1993

NRC Review Team
Bay City, Texas

Re:South Texas Nuclear Project

Dear NRC Review Team,

I'm sending this letter in support of the South Texas Nuclear Project.

I have met with the new management team at the plant and have been impressed with the steps they have taken to ensure safe operations at STNP. Bill Cottle and other officials at the plant answered every question we had in regards to the operating procedures, and the long and short term safety precautions being undertaken to protect the citizens and the environment of South Texas.

The South Texas Nuclear Project must provide for our energy needs in a safe manner. I believe they are on the right track to solving the problems they have had. I regret I'm unable to be with you for the meeting, however, other events in the Senate District have forced me to send this letter of support instead of attending in person. If you have any questions don't hesitate to call.

Sincerely,

Ken Armbrister
State Senator

EXHIBIT

Handwritten note: (Armbrister 4/19/93)

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(512) 463-0118
TDD (512) 475-0758

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