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Investigative interview of MICHAEL S. KIDD, taken on behalf of the Nuclear Regulatory Commission, Office of Investigations, before Carl R. Forte, Certified Court Reporter and Notary Public, at [REDACTED] on the 1st day of May 1986, commencing at the hour of 7:00 p.m.

Information in this record was deleted in accordance with the Freedom of Information Act, exemptions b+7c
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1 APPEARANCES :
2 On behalf of the
3 Nuclear Regulatory
4 Commission, Office
5 of Investigations:

MR. LARRY L. ROBINSON

MR. JACK KINDT

7 - - -

8 MR. ROBINSON: For the record, this is an
9 interview of Michael S. Kidd, conducted on May 1st,
10 1986, at 

11 

12 Present at the interview are Mr. Kidd,
13 Larry L. Robinson, Office of Investigations, NRC,
14 and Jack Kindt, Office of Investigations, NRC.

15 MICHAEL S. KIDD,
16 having been first duly sworn, was examined and
17 testified as follows:

18 EXAMINATION

19 BY MR. ROBINSON:

20 Q. For the record, would you please state
21 your full name and your current residence address,
22 permanent address?

23 A. My name is Michael S. Kidd.

24 

25

1 Q. And who is your current employer?

2 A. My current employer is E. I. DuPont.

3 Q. Is that a DOE contractor at Savannah
4 River, or what is the status of --

5 A. Yes. DuPont is the prime contractor to
6 DOE to operate the Savannah River Plant and
7 laboratory.

8 Q. And what are your duties with DuPont at
9 Savannah River?

10 A. I'm with the Reactor Safety Evaluation
11 Division in the Savannah River laboratory. And that
12 organization is an independent reactor safety review
13 group concerned with the safety of operation of the
14 production reactors at Savannah River Plant.

15 Q. And how long have you been with DuPont;
16 since what date?

17 A. I started with DuPont March 31st, 1986.

18 Q. Okay.

19 A. Could I ask you a question?

20 MR. ROBINSON: Off the record.

21 (Discussion ensued off the record.)

22 Q. Starting with your latest employment with
23 NSRS, Nuclear Safety Review Staff at Tennessee
24 Valley Authority, briefly trace your nuclear
25 experience backwards from that period, if you could,

1 please.

2 How many -- well, I'll ask the question
3 up front: How many total years of nuclear
4 experience do you have?

5 A. Approximately 20.

6 Q. Okay. With how many different
7 organizations?

8 A. Would it be best if I just started at
9 date one and come forward?

10 Q. All right. Go ahead. Sure.

11 A. That's probably the quickest. Okay. I
12 graduated from college in 1966, Bachelors in
13 physics. Went to work with DuPont at Savannah River
14 Plant. Most of my work then was as a shift
15 supervisor on one of the operating reactors.

16 I spent six years with DuPont, and in May
17 of 1972, went with with the Division of Compliance,
18 the Atomic Energy Commission, later to become the
19 NRC. Spent six years in Atlanta as a reactor
20 inspector, then spent two years as a senior resident
21 inspector at the North Anna Power Station in
22 Virginia.

23 Spent six months in NRC headquarters as a
24 inspector and specialist, I think the title was.
25 And in November of 1980, went with TVA as a nuclear

1 engineer, M-6, in the Nuclear Safety Review Staff.
2 Spent approximately two years in NSRS, went with the
3 new office of Quality Assurance in TVA as a group
4 head.

5 Q. In what month and year, approximately?

6 A. November of 1982. I held a position of
7 head of the program management group over QA until
8 May of 1984, and returned to NSRS as group head,
9 M-7, of the Reviews and Investigations group.

10 In May of 1985, in order to accommodate
11 the very increased work load in investigations, the
12 investigations part of my responsibility was split
13 off and a new Investigations group was formed. I
14 kept the reviews function at that point in time.

15 In August of '85, the investigative
16 function had grown so much that the director decided
17 to make it a branch, and asked me to take over the
18 investigation branch as an Acting Branch Chief,
19 which I did the first week of August 1985.

20 I stayed in that capacity until December
21 the 9th, 1985, at which time I was relieved of any
22 supervisory duties at the request of Quality
23 Technology Company, pending completion of
24 investigation of Employee Concerns charging
25 harassment by me.

1 And from that time until the time I left,
2 I really had no major responsibilities or functions.

3 Q. Not either from a review or supervisory
4 standpoint?

5 A. No.

6 Q. When was your last day at TVA, your last
7 official day?

8 A. I think that was Friday, March the 28th.

9 Q. Do you --

10 A. I believe it was the 28th.

11 Q. Have you been informed by TVA or QTC,
12 either one, as to the results of the QTC
13 investigation into your harassment?

14 A. No. 

15 Q. The allegations of harassment, actually.

16 A. No. On that particular case, I was asked
17 by the -- an attorney last week if I had heard that
18 QTC had substantiated the allegation, which infers
19 that they may have, but I have not been told
20 anything.

21 Q. Okay. This was as a result of an
22 allegation made by Jim Jones; is that correct?

23 A. That's correct.

24 Q. Okay. In view of me being aware of QTC's
25 extensive investigation into that allegation, I'm

1 not going to dwell on that this evening. There are
2 a few aspects.

3 The main purpose of my investigation is
4 looking into allegations of suppression of
5 information within NSRS and, also, harassment and
6 intimidation.

7 Regarding the harassment and intimidation
8 aspect of the investigation, I am paralleling both
9 the Department of Labor and the QTC investigation as
10 it involves NSRS, okay?

11 Since we're on the subject of Jim Jones,
12 I want to show you the final copy of his procurement
13 report, and let you refresh your memory on that one
14 a little bit.

15 A. I'm quite familiar with that report. I
16 would make one correction. That was not his report.

17 Q. Okay.

18 A. As it turns out, he made no input to it.

19 Q. He made no input to it?

20 A. Essentially no input. That's why you do
21 not see his name on the report cover sheet.

22 Q. Okay. Why is it that he made no input to
23 that report?

24 A. He was simply unable to document his
25 findings, or he could not or would not.

1 Q. He could not or would not document his
2 findings?

3 A. Correct. (Now, that is complicated by the
4 fact that he was ill in the fall of 1984.) But to
5 illustrate what I mean, the review started -- the
6 preparation for the review started in June of 1984.

7 As of the end of September 1984, and
8 after several weeks of field work, he had not
9 documented anything in a form usable in this
10 report.

11 Q. Okay.

12 A. (Now, about the end of September, first of
13 October is when he became ill to the point of having
14 to stay home.)

15 Q. (What was the nature of the illness?)

16 A. (

17

18

19 And this was a recurring problem. He had
20 experienced the same problem approximately a year
21 earlier.)

22 Q. Did he either talk to you about or give
23 you rough drafts of unsubstantiated findings that he
24 had found during his -- the part of the review (that
25 he was healthy?)

1 A. Could you define unsubstantiated for me?

2 Q. Well, undocumented; in other words, had
3 he discussed problem areas in his area of review
4 with you and had indicated that there were problems
5 in certain areas?

6 A. Yes.

7 Q. He had?

8 A. Yes. And as a matter of fact, he had
9 discussed certain problems, which are covered in the
10 report, at the exit meetings, exit interviews, at
11 two of the plants, meetings for which I attended.

12 And there's no doubt that there were
13 problems in the areas that he reviewed. Again,
14 those particular problems are discussed in this
15 report.

16 Q. Okay. What made you say that he did not
17 contribute to that report earlier?

18 A. Well, I answered your earlier question by
19 saying he discussed problems. And he did discuss
20 them.

21 But what I am saying is he did not
22 provide written input for the details or the summary
23 of the report in a usable fashion. And in only two
24 instances can I recall did he provide any input for
25 detail paragraphs at all.

1 Q. And what were those instances?

2 A. Those two instances involved the use or
3 misuse of 10-CFR-21 in determining quality levels,
4 that type of problem. And the second area involved
5 the training of, or lack of training of receipt
6 inspectors.

7 Now, I can vaguely recall him mentioning
8 other types of problems that, you know, something's
9 wrong somewhere, that type of expression, but
10 nowhere did he document that, nowhere did he discuss
11 that, either with me, the other team members, or at
12 any of the exits.

13 Now, let me clarify something here. If
14 you're interested in what he found in terms of
15 communicating those findings to plant or corporate
16 people in TVA, in terms of communicating them to me
17 or to the other team members, TVA's new Inspector
18 General and the General Counsel's office are in
19 receipt of a package of information which contains
20 exit notes which Jim Jones prepared and used at
21 Browns Ferry, Sequoyah, Watts Bar, and Chattanooga
22 offices.

23 And I have marked them up to illustrate
24 how each and every problem covered in his notes are
25 covered in that report (indicating).

1 Q. Okay. You have had discussions with the
2 IG regarding that?

3 A. No. I sent him a letter and asked him to
4 look at it.

5 Q. I see.

6 A. Because this issue keeps coming up and
7 coming up. The inference obviously is that Mr.
8 Jones identified problems that NSRS did not put in
9 the procurement report. My position is: Read his
10 exit notes, read the report, and make your own
11 conclusion.

12 Now, again, I sent a copy of that to the
13 General Counsel's office, they passed the buck to
14 the new Inspector General, so I sent him a copy.

15 Q. Okay.

16 A. Excuse me. I sent a letter to the
17 General Counsel's office. They passed the buck to
18 the IG, so, I sent the whole package of inspection
19 to the Inspector General. This was in early March,
20 I guess. I never heard anything from him.

21 Q. Okay.

22 A. If you can give me a few minutes, I can
23 show you those documents, if you're interested.

24 Q. Sure. Yes, I am interested.

25 (Discussion ensued off the record.)

1 MR. ROBINSON: Let the record reflect
2 that after a search of the documents in the house
3 that Mr. Kidd is renting ()
4 he determined that the documents he was searching
5 for are back in (at his permanent
6 residence.)

7 Q. There's still a little thing that's
8 unclear in my mind. Let's take an example of
9 pressure transmitters at Sequoyah. Does that ring a
10 bell with you as something that Jones was concerned
11 about?

12 A. I'm not sure whether Jones was concerned
13 about it. It's a topic that I recommended that he
14 look at. Because when I was in OQA, one of the
15 other -- one of the branch chiefs brought to my
16 attention that there was some questionable practice
17 on procuring equipment through, I think it was,
18 Chicamauga Dam, making sure to note that it was --
19 didn't have anything to do with nuclear, that buying
20 -- apparently, they were buying in through
21 non-nuclear avenues and then using it at the nuclear
22 plant.

23 Well, that sounds pretty screwy. And I
24 asked Jim Jones and the team to look at it. As I
25 recall, he started the process of looking at it, did

1 not finish that; (and when he got sick,) then it fell
2 on the other two team members to essentially
3 complete everything he had started, or redo
4 everything that he had looked at but not
5 documented.

6 You'll find somewhere in the details of
7 this report, or 8417, treatment of those particular
8 instruments that I'm talking about. And I think
9 those are the same ones that you're talking about.

10 Unless, by chance, you're talking about
11 the containment to annulus differential pressure
12 transmitters that caused such a hullabaloo
13 approximately a year ago.

14 Q. I am not sure which of those two
15 instruments I'm talking about. All I know is that
16 Mr. Jones was concerned about the fact that you
17 mentioned earlier, the fact that there were
18 non-nuclear qualified pressure transmitters; there
19 was a possibility of them being used in a nuclear
20 capacity.

21 A. Well, again, if it's the subject I think,
22 it is discussed in the report.

23 Q. Okay.

24 A. In the context, this doesn't look quite
25 right. But quite honestly, the team couldn't figure

1 out at that point in time, or elected not to figure
2 out in the interest of time, just what the true
3 ramifications were; documented it sort of as a
4 follow-up item to be covered at some other point in
5 time.

6 We never got to that other point in time
7 because the mission of the whole staff was changed
8 dramatically with the advent of the so-called
9 enhanced Employee Concern Program.

10 Q. Was the production of the final report on
11 that procurement audit, did there become a point
12 where there was a deadline on it or you needed to
13 cut it off? Is that what you're saying?

14 Would that be the reason why the team
15 elected maybe not to follow up the pressure
16 transmitter item to a complete conclusion?

17 A. There was not a firm cutoff date
18 established, no. But in reality, the other two team
19 members essentially had to redo Jim Jones' work
20 because he had not documented anything.

21 MR. KINDT: Who were those members?

22 THE WITNESS: Richard Smith and Joan
23 Muecke, M-u-e-c-k-e. Now, the time frame for this
24 review, which was estimated before I came back to
25 NSRS, was grossly non-conservative.

1 The review -- (at the time Jim Jones got
2 sick,) the review had already taken four months. So,
3 what had taken three people four months to do,
4 suddenly had to be written up by a two team -- or
5 two member team instead of three.

6 That stretched the effort way out as far
7 as the documentation. But as you can see from the
8 cover sheet, it didn't get issued until March 12th,
9 1985, so there wasn't a radical cutoff point in the
10 context that I think you were asking about.

11 Q. Did Jim Jones leave extensive notes --
12 (did he leave NSRS right after he got sick?)

13 A. He left the first week of December, 1984.

14 Q. How long had he been back after he had
15 been sick before he left NSRS?)

16 A. Less than a month. But to answer your
17 earlier question, no, he did not. And I have a copy
18 of everything he left, as far as his notes. Well, I
19 can't say that. I have a copy of essentially
20 everything he left.

21 Q. If there was questions in your mind about
22 those notes, did you try to follow it up with him
23 down in Chattanooga?

24 A. No, because it didn't contain anything
25 that I hadn't heard him say already. For example,

1 the receipt inspector training issue and the Part 21
2 issue.

3 Q. Is that the power stores clerk situation?

4 A. Right.

5 Q. Is Watts Bar and any type of procurement
6 findings at Watts Bar covered in that report?

7 A. No. And the reason why is this: Jim
8 Jones, as team leader, elected and requested of me
9 to perform the Watts Bar review by himself. He had
10 not gotten along with the other two team members.

11 They had plenty to do in terms of
12 documenting the Browns Ferry-Sequoyah part of the
13 effort; Watts Bar, at that point, on the operating
14 side, and that's, all this review intended to look
15 at, was the operating plant.

16 There was a Phase II to come later to
17 look at design and construction. All they were
18 doing on the operating side was procurement of spare
19 parts. Not much effort. So, due as factors, I
20 agreed to let Jim Jones go do the Watts Bar portion
21 by himself.

22 MR. KINDT: What two members was this
23 that he didn't get along with? Who were they?

24 THE WITNESS: The two that I mentioned,
25 Richard Smith and Joan Muecke.

1 MR. KINDT: Next question is: Why didn't
2 he get along with them?

3 THE WITNESS: Well, if I knew that, it
4 may be that all this mess wouldn't have happened.

5 MR. KINDT: Well, did you have some kind
6 of idea?

7 THE WITNESS: Yeah.

8 MR. KINDT: What?

9 THE WITNESS: Jim Jones preferred to get
10 away from the plant site early every day. This
11 created some friction because the other two team
12 members stayed until they got the work done, or
13 stayed later than he, anyway.

14 He seemed to be -- I'm not sure why, but
15 he seemed to be very reluctant to take my guidance
16 and supervision. I don't know why. He says it was
17 because of a difficulty that came up when I was in
18 OQA.

19 I don't believe it worth a flip, myself.
20 It takes two to Tango, it takes two to have a
21 problem as far as I'm concerned. And I didn't
22 consider it a problem.

23 Jim took most of his meals by himself.
24 I'm not sure whether this is a cause or whether it's
25 the effect. But over a period of time, he had very

1 little to do with these other two team members.

2 Jim had some very significant performance
3 problems. And in dealing with him on those
4 problems, I did it in a low key, person to person,
5 private fashion, but I think he perceived that the
6 other two team members were reporting on him,
7 bringing me polished apples, whatever. And he --

8 Q. And that's not so?

9 A. No. The other two team members did their
10 jobs. I complimented them, gave them performance
11 appraisals which I considered to be commensurate
12 with their performance; those were appreciably
13 different from what he got, and he just didn't get
14 along.

15 MR. KINDT: Did -- you said that you had
16 a performance problem with him. Is any of that
17 documented?

18 THE WITNESS: Yes. The period from the
19 start of the review up through the end of September
20 1984 is documented in a formal appraisal. TVA's
21 management appraisal system, the period just happens
22 to end September the 30th each year.

23 For his role in this procurement review,
24 both as a leader and as a reviewer, his work was
25 judged to be and documented as adequate. And the

1 definition of that means he mote -- excuse me, he
2 met most requirements, but there are definite areas
3 that need improvement.

4 Now, a little bit of background in the
5 TVA system, management appraisal system. If a
6 person gets an adequate, that's not too good.
7 Proficient is the middle of the road. That means
8 everything's okay.

9 MR. KINDT: What I'm getting at is: Was
10 it specifically his performance documented, I mean,
11 as to whatever he was -- his shortcomings were and
12 this kind of stuff? Has all that been documented?

13 THE WITNESS: It was documented in the
14 formal process; then in late October, or maybe the
15 first week of November, I began a little more
16 extensive documentation of the problem to the extent
17 of contacting the Division of Personnel, getting
18 their guidance on how to proceed on what's called
19 progressive discipline; that is, write up in much
20 more detail what the problems were.

21 Now, in fact, I did do that. (But because
22 he was sick, and shortly after he came back from
23 sick leave,) took another job, I never issued that
24 letter to him.

25 MR. KINDT: Is that still part of his

1 record?

2 THE WITNESS: No. Because it was never
3 issued to him.

4 MR. KINDT: Okay. The individuals you
5 dealt with, though, in personnel, are they aware of
6 this or would they be able to substantiate this?

7 THE WITNESS: Yeah. Well, they should
8 substantiate that I talked to them. The person in
9 particular is Scott Schaffer.

10 MR. KINDT: How long did you supervise
11 him?

12 THE WITNESS: From the last week of May
13 '84, to the first week of -- excuse me, first week
14 of December '84.

15 Q. Had he ever worked for you before?

16 A. No.

17 Q. Had you ever had any contact with him
18 before?

19 A. Just casual contacts. We were
20 essentially peers during the time I was initially in
21 NSRS. Now, if you talked to him, he's going to say
22 his concern, as expressed through QTC, is that he
23 was in NSRS trying to escalate and keep open an open
24 item, an AWS welding at Watts Bar, and his assertion
25 is that I was in OQA trying to close it.

1 Q. And what's the real story on that?

2 A. Bullshit. My function in OQA with
3 program management group was to coordinate action on
4 any and all problems within the Corrective Action
5 System within the Office of Quality Assurance. And
6 that put me in touch with dozen and dozens of
7 problems.

8 On this particular AWS welding issue,
9 there was a task force established by the office
10 manager to address the problem consisting of myself,
11 Jim Thompson, John Lyons, who led the task force.
12 Collectively, we compiled information that
13 eventually led to the closure of the open item by
14 NSRS.

15 In other words, the supervision of Jim
16 Jones in the early months of 1984 closed the welding
17 issue while I was in OQA.

18 Q. At that time, when Jones was in NSRS and
19 you were in OQA, did you two have any type of
20 confrontations?

21 A. There's only one occasion that I can
22 recall. And it occurred in late November or early
23 December 1983 when we were both at a meeting to
24 discuss the AWS issues. He, quite frankly, could
25 not represent himself or NSRS effectively, and could

1 not explain what the real concern was in these
2 welding issues, such that the OQA representatives,
3 including myself, could understand what the hell the
4 problem was.

5 And I can recall at one point where he
6 admitted that they were concerned about some issue
7 that wasn't in the official report that was on the
8 street. And I took exception to that, and asked
9 him, "Well, how come, you know, you're expecting us
10 to address an issue that you did not document in
11 your review report?"

12 His response was, "Well, we discussed it
13 with people at the exit." Well, bullshit. You
14 know, rule No. 1 is if you want action, you put it
15 in the report. Now, that's the only situation that
16 I can ever recall having words with Jim Jones before
17 I came back to NSRS.

18 Q. And he was already in on NSRS when you
19 came back the second time?

20 A. Well, actually, he was there before I
21 left in 1982.

22 Q. And he didn't work with you or for you in
23 '82?

24 A. No.

25 Q. I thought you had a thought there?

1 A. Oh, I've got several thoughts.

2 Q. Well, I'm just trying to get a handle.
3 You know, I want to get your perspective on whether
4 or not Jim Jones is being totally unrealistic in
5 filing harassment allegations.

6 I mean, if -- play the part -- I'm asking
7 you, I guess, to play the part of the Devil's
8 advocate for a minute and see where you think he
9 would think you're just spite because of the bad
10 reviews.

11 A. Well, let me tell you what I think he
12 thinks.

13 Q. Okay.

14 A. He thinks, and probably did then or --
15 because he started, or at least perpetuated, some
16 rumors. (

17

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19 I heard the rumor sometime late summer
20 1984; was told in late September 1984 that Jim Jones
21 had participated, if not perpetuated or started the
22 rumor. And, in fact, I confronted it with him --
23 him with it the last week of September 1984,
24 basically to advise him that if he were involved,
25 he'd better be involved no longer because I would

1 make sure that a TVA EEO investigation be conducted
2 because I thought'

3
4 Well, he took that quite harshly. (And
5 I'm sure, to this day, will tell everybody up and
6 down that type of thing is what caused his illness.
7 Well, again, I say bullshit. He'd been sick a year
8 earlier,

9
10
11
12 In fact, he told Richard Smith that, who
13 was his acting group head at the time. And this is
14 a year before all the difficulties in the fall of
15 1984. (

16
17
18
19 You understand what I'm saying?

20 Q. Yes. Influences your outlook on his
21 judgment?

22 A. Yes. (

23
24
25

1 Q. But, you can tell me under oath, as you
2 are right now, that you had no ax to grind with Jim
3 Jones when you came back to NSRS from OQA --

4 A. Absolutely not.

5 Q. -- because of the welding concerns?

6 A. Absolutely not.

7 MR. KINDT: When did your relationship
8 with him really start deteriorating then?

9 THE WITNESS: In July of 1984, after the
10 first week of the review at Browns Ferry. And the
11 following week I met with him, individually, to
12 share some observations that I had made at the plant
13 site.

14 MR. KINDT: Are you talking about his
15 performance now?

16 THE WITNESS: Yes.

17 MR. KINDT: Here again, is that
18 documented as to that time period?

19 THE WITNESS: Yes. And it's documented
20 in handwritten notes on my part.

21 Q. Was this pertaining to his intention to
22 leave the site early and his lack of staying with
23 the other team members? Is that part of it?

24 A. No.

25 Q. No, okay.

1 A. Not that early. I was not aware of that
2 that early in the review.

3 Q. Okay.

4 A. It had to do, rather, with his individual
5 conduct and performance during the day that I
6 observed him and the other team members at the plant
7 site, and observed their conduct of the exit meeting
8 at that plant site.

9 Q. Elaborate on that.

10 A. Well, for example, the team and I were
11 scheduled at 8:00 o'clock on a Friday morning to
12 meet with the site director to get his input what he
13 wanted out of the procurement review. He had been
14 the person that had originally requested us to do
15 it.

16 Q. Who was the site director?

17 A. Jim Coffee.

18 Q. Okay.

19 A. Just before we got to the plant site, Jim
20 Jones announced that he had something that he had to
21 do and wouldn't be going with us to meet with Jim
22 Coffee. Well, I thought that was kind of strange,
23 but I didn't say anything because the other two
24 people were there and I didn't want to put him in an
25 embarrassing position.

1 So, I spoke to him about it the following
2 week back in the office. As it turns out, the
3 pressing matter that he had was to talk to an
4 individual by the name of Billy Weeks who had been
5 there all week, and was going to be there all day
6 Friday.

7 And we didn't have an exit meeting until
8 2:00 o'clock in the afternoon, which tells me that
9 he didn't have any pressing thing he had to take
10 care of.

11 MR. KINDT: Well, why do you think he
12 didn't want to be at that meeting?

13 THE WITNESS: As it turns out, by
14 watching his conduct at the other plants and in the
15 corporate office, I became convinced that he was
16 reluctant to meet with upper management.

17 Q. Why?

18 A. Inability to communicate properly. I
19 think he must have felt intimidated. For example,
20 in the September visit to the corporate offices in
21 Chattanooga, by the end of the week, he had not
22 talked to any management, to my knowledge, above an
23 M-6 level; yet one of his prime purposes was to get
24 their understandings, upper management's
25 understandings on issues like 10-CFR-21 and its

1 application in the procurement function, and get
2 some answers to some other pretty important
3 questions.

4 At the end of the week, he had not done
5 it. He indicated that he'd had scheduling
6 problems. But that's the only thing that I can make
7 of my observations; that is, he simply did not feel
8 comfortable in meeting with upper management.

9 Q. And you noticed that in the first week of
10 the review?

11 A. No. It really came to light later.

12 MR. KINDT: You said around July or so;
13 isn't that what you -- or am I mistaken in what you
14 were saying there?

15 THE WITNESS: No. The July period was
16 when I first noticed the problem with the other team
17 members.

18 MR. KINDT: Okay.

19 THE WITNESS: I really became aware of
20 his apparent reluctance to meet with upper
21 management as late as September.

22 Q. Both in the investigative and in the exit
23 meeting phases?

24 A. Well, fortunately or unfortunately, in
25 the exit meeting phases he has no choice. For

1 example, at the corporate meeting in Chattanooga,
2 the same people that he should have contacted during
3 the week but didn't were at the exit.

4 And the attendees at the meeting tell me
5 that Jim Jones would present a finding, would be
6 countered by a member of upper management, then he
7 would immediately retract and say, "Well, that
8 sounds okay," or, "Well, we'll go home and talk
9 about it."

10 In other words, would not defend his
11 findings. And that's part of what led me to the
12 observation that I just made.

13 MR. KINDT: You said, going back to one
14 of your statements earlier, you said that there was
15 a rumor that was circulating

16
17 Who did you hear this rumor from?

18 THE WITNESS: From one of the individuals
19 who worked for me at the time; Dustin Bailey. And
20 he just came to me one day, I think it was in late
21 July, to say, "Hey" -- I think it was July or August
22 -- just say, "Hey, there's something going on. I
23 think it's only fair you ought to know about it.
24 People are out in the hallways talking, and this is
25 what they're saying."

1 MR. KINDT: Is he the one that told you
2 that it was being spread by Jones?

3 THE WITNESS: No.

4 MR. KINDT: How did you learn that it was
5 being spread by Jones then?

6 THE WITNESS: Sometime in September,
7 another staff member indicated that she had
8 overheard a conversation in which he was engaged on
9 that subject.

10 Now, much later -- in fact, I guess a
11 year or more later -- I very selectively asked two
12 other individuals on the staff if they had heard of
13 such a rumor. The answer was yes. And I asked them
14 if, by chance, they had heard Jim Jones discussing
15 the matter, and they both answered yes.

16 MR. KINDT: And you say you confronted
17 Jim Jones about this?

18 THE WITNESS: In September of '84. His
19 reaction was that he had not heard anything about
20 it.

21 MR. KINDT: So, he denied it, you mean?

22 THE WITNESS: Well, he not only denied
23 participating in it, he denied ever having heard
24 about it. And I already knew at that point that
25 that part of it was false.

1 MR. KINDT: But you knew -- you had heard
2 from another individual that it was Jim Jones who
3 was spreading this, is what you're saying, right?

4 THE WITNESS: Or that he was perpetuating
5 it, yes.

6 MR. KINDT: Who was that that told you
7 that?

8 THE WITNESS: Wendy Stookesbury.

9 Q. And who were the selected individuals
10 that you asked about it?

11 A. Gerald Brantley and Joyce Huffstetler.

12 Q. Well, let me switch paths. That
13 particular rumor, I know, is probably
14 well-documented in the QTC investigation.

15 One other item about this report that I
16 want to ask you about, and I'll just throw out a
17 phrase and see if it rings a bell to you.
18 Switchgear findings.

19 A. That doesn't --

20 Q. Doesn't ring a bell?

21 A. Doesn't ring any bells.

22 Q. You don't recall having some notes or
23 some type of written documentation in the notes that
24 Jones left about some problems with some switchgear?

25 A. No, I don't. Let me tell you what I have

1 from Jim Jones.

2 Q. Okay.

3 A. And unfortunately, that is in
4 as well. (When he became sick, and was out for some
5 weeks,) I called him at home and said the team
6 members were preparing the report.

7 I called him at home and asked if he had
8 material that he had developed, and if so, was it in
9 his office, and where was it. He indicated that
10 everything he had, that he had personally written
11 up, was at home.

12 Q. Okay.

13 A. And I asked -- I gave him a few days to
14 get it put together, maybe work on it some more,
15 then he'd call me and I'd go pick it up.

16 I did. Picked it up mid-October; October
17 the 18th, I think it was. His write-up by his own
18 admission, after four plus months, consisted of 21
19 handwritten pages on two subjects; the same two
20 subjects I mentioned quite sometime ago. I still
21 have a copy of that material I picked up at his
22 house.

23 Q. Was there anything on his desk or in his
24 desk that was usable or that pertained to that
25 review?

1 A. There were quite a bit of documents that
2 he had collected, such as procedures and manual
3 excerpts; he had copies of purchase requests, copies
4 of contracts, and assorted other documents, which
5 were on his desk and table.

6 And during the same phone calls, he
7 identified to me what they were and where they
8 were. I asked the other two team members to go
9 through all that material and utilize it wherever
10 possible in preparation of the draft report.

11 They did that, but found to a large
12 extent that it was not usable. For example, in the
13 handwritten notes that I picked up, in discussing
14 the training and qualifications of the power stores
15 receipt inspectors, he had listed seven examples of
16 contracts which reflected receipt of material which
17 those people were not qualified to inspect. Seven
18 contracts.

19 When the two team members looked at them,
20 they found that only two of them really were
21 applicable because the other five were of a quality
22 level that power stores people could inspect them.
23 They told me this. I said: Now, let's sit down and
24 you explain to me -- I'm paraphrasing -- but I had
25 the team explain to me why, in effect, his listing

1 was that incorrect. They did that for me. And
2 convinced me that only two of the seven were
3 usable.

4 Q. Did you talk to Jones about that at all?

5 A. No.

6 Q. Did it ever cross your mind that it might
7 have been more -- or more efficient, from an
8 organizational standpoint, to gather up those
9 documents on Jones' desk and let him have those
10 documents while he was doing his write-up?

11 Because a lot of -- I know if I told
12 somebody that I had a lot of documents on my desk,
13 and here's how they're supposed to apply, and that
14 person told two other investigators to go in and get
15 those documents and make them part of a report,
16 they'd probably have a pretty tough time doing it.

17 A. Well, except that they had all seen the
18 same types of documents; not the same documents, but
19 the same type. They had split it up, for example,
20 where Jones was working in the electrical
21 instrumentation area; Smith was working, as I
22 recall, primarily in mechanical area; and Muecke was
23 working in the civil structural area, but with some
24 variations in each case.

25 So, they're familiar with the same

1 documents that are on his desk. And you've got to
2 keep in mind, now, we're talking late October, early
3 November, 1984. (And it's become apparent that, No.
4 1, Jim Jones says he's too sick to come back to
5 work.

6 t When he does come back to work, it's
7 obvious to me he's too sick to do any work. It's
8 also obvious to me, when he comes back in November,)
9 when he makes the second request to leave the staff,
10 that he's no longer interested in that review.

11 Now, what I asked him to do and what he
12 agreed to do -- and you'll find copies of this
13 written up in the QTC case files as well -- I
14 requested of him and he agreed to review the draft
15 reports, draft report paragraphs written by the
16 other two and review the write-ups they were making
17 in preparation for the exit interview.

18 He agreed to do that. I do not recall
19 having ever received a single comment from him. So,
20 again, in summary, after four months of preparation
21 and conduct of review, he gives me at his home 21
22 handwritten pages on two topics; gives me nothing
23 whatsoever from the visit to Watts Bar.

24 And that's why it's not covered in here
25 at all (indicating). The decision was made not to

1 go redo Watts Bar. He was given another opportunity
2 to have input to this report (when he came back off
3 of sick leave) by reviewing other people's input. He
4 did not utilize any of those opportunities.

5 And, quite frankly, I get perturbed when
6 I hear the inferences that he identified such
7 humongous problems, and those other dirty rats
8 didn't write it up for him.

9 Q. Was there anything regarding Watts Bar in
10 the documents on his desks or his --

11 A. No. Nothing was found relative to Watts
12 Bar at all.

13 Q. And you're telling me that, to your
14 knowledge, none of those documents were destroyed?

15 A. Well --

16 Q. I mean, destroyed in an effort not to use
17 them in a report?

18 A. I am 99 percent sure that nothing of his
19 was ever destroyed.

20 Q. Okay.

21 A. It's quite feasible that certain of his
22 documents, like the five contracts that really
23 didn't pertain, they may not have been retained
24 because they weren't usable. And let me clarify.

25 The copy that was in our office would

1 have been the thing that was not retained, because
2 the original document is still at Browns Ferry in
3 that case.

4 Q. Sure. Okay. But switchgear doesn't ring
5 a bell to you at all?

6 A. No.

7 Q. And there was nothing given to you
8 regarding Watts Bar, and there was nothing in the
9 documents in his office regarding Watts Bar?

10 A. Not to my knowledge.

11 Q. It was Muecke and Smith that went into
12 the office and gathered up the documents, right?

13 A. At my instructions.

14 Q. All right.

15 A. And again, in those instances where they
16 determined that something just wasn't usable because
17 it wasn't what he thought it was, I selectively had
18 them convince me of that by sitting down and talking
19 about the documents and looking at them. And in
20 each case, where that was the case, I agreed.

21 Q. But the items that he covered in his
22 notes for the exit meetings, that you say are up in
23 Knoxville, and that you -- those topics are
24 discussed in the report, all of them?

25 A. Yes. In fact, I took one of the -- if

1 you find those notes that he wrote up, you'll find
2 they're quite similar. And I took a copy, I guess
3 it was for the Sequoyah plant, and annotated in the
4 margin what paragraph and page number the subject is
5 found in this report.

6 I also got copies of notes taken by an
7 attendee at the Watts Bar exit and entrance. That's
8 in the package. I have copies of notes taken by the
9 other two team members for the exit meeting in
10 Chatanooga. And again, all that information is now
11 with the IG.

12 Q. I have just one final question, and then
13 Jack -- did your finding out about his participating
14 in or originating the rumor(
15) have any effect on your evaluation of his
16 performance?

17 A. No. As it turns out -- well, it would
18 not have had any effect anyway. But I had already
19 documented his appraisal for the period ending
20 September the 30th, 1984, when I found out that he
21 was involved.

22 Q. And your single confrontation with him
23 when you were in OQA and he was in NSRS did not have
24 any effect on your evaluation of him?

25 A. No.

1 MR. ROBINSON: Do you have any other
2 questions, Jack?

3 MR. KINDT: Yeah. I was just curious to
4 know, is there anyone who could substantiate that
5 you had given him the draft report of this thing, of
6 this procurement report, to review prior to being
7 finalized?

8 THE WITNESS: Well, now, be careful in
9 understanding what I said. What he was given to
10 review and comment on were actually the write-ups by
11 the other two team members in preparation for the
12 exit interview the first week in December, which
13 were rough drafts of just condensed versions of what
14 would become the paragraphs and the details of the
15 report.

16 So, I wouldn't draw that distinction,
17 because I don't want you to leave thinking that he
18 was given a draft of the whole report to review.
19 That's not the case.

20 MR. KINDT: He wasn't then?

21 THE WITNESS: No. But he was given
22 write-ups, which eventually became the inputs for
23 the report. That is, once they became fleshed out,
24 expanded.

25 MR. KINDT: So -- and you correct me if

1 I'm wrong here -- he never had an opportunity then
2 to actually review this report before it was issued?

3 THE WITNESS: No. Because it didn't take
4 final form until three months after he left. In
5 fact, the exit interview was held the same week he
6 left.

7 MR. KINDT: Okay.

8 THE WITNESS: But he did have ample
9 opportunity to review everything that had been
10 written in preparation for the exit, and eventual
11 preparation of the report by the end of November.

12 MR. KINDT: Was there any big differences
13 between that information and what's in the report?

14 THE WITNESS: No. To answer one of your
15 questions, these two team members could substantiate
16 that he was given copies and asked to provide
17 comments.

18 MR. KINDT: And again, he never did
19 provide those comments?

20 THE WITNESS: No.

21 MR. KINDT: Not to them or you then?

22 THE WITNESS: That's correct.

23 Q. Was he just asked to provide comments on
24 their topics or was he asked to add his -- any of
25 his comments?

1 A. Both.

2 Q. Okay.

3 A. I asked him to do both. I did it in
4 writing, and I still have a copy, QTC now has a
copy.

MR. KINDT: I have no more questions.

7 Q. Regarding Jim Jones and this particular
8 procurement report, Mike, is there anything else
9 that you want to add that you feel that we either
10 haven't discussed or you wanted to amplify?

11 MR. ROBINSON: Go off the record at 8:05
12 p.m.

13 (Discussion ensued off the record.)

14 MR. ROBINSON: Back on the record, and
15 it's 8:06.

16 Q. Just to capsulize, is there anything
17 regarding this procurement report that you want to
18 add or amplify on?

19 A. No. As I indicated by phone, Larry, I've
20 spent seven days with QTC on this particular
21 individual and subject and his concerns. I think I,
22 in the process of those seven days, I have, under
23 oath, provided verbal and documentary information;
24 just about everything I ever knew or hoped to know
25 on that topic.

1 Q. All right. We'll move to a new topic.
2 Did you have any direct involvement with the NSRS
3 review of the Black and Veitch report?

4 A. No.

5 Q. In what capacity was your connection, if
6 any, with Mansour Guity with respect to the cable
7 bend radius report?

8 A. Mansour Guity worked for me. He joined
9 our staff in December '84. And was working in my
10 group when the Employee Concern was received that
11 led to the cable bend investigation.

12 Q. I-8506-WBN is the copy of that report?

13 A. That's correct.

14 Q. At some point in time, there was a
15 request made to have a summary written of Guity's
16 findings, as opposed to a -- the complete detailed
17 report as he wanted it written. Is that a correct
18 statement?

19 A. I think that occurred, but I believe it
20 was after I no longer had any involvement with that
21 particular effort. If I could, let me explain the
22 sequence.

23 Q. Sure.

24 A. The investigation was initiated under my
25 supervision with Mike Harrison leading the effort.

1 As noted in the report, the field work was completed
2 about April the 15th, and --

3 Q. 1985.

4 A. -- and development of the report started
5 -- actually, it began a little bit earlier, but
6 field work wrapped up in mid-April 1985.

7 At about the time the first complete
8 draft of the report was put together, the
9 Investigations group was formed with Mike Harrison
10 as the head and split away from Reviews and
11 Investigations, my group.

12 So, what we had was a situation where an
13 investigation had begun under my supervision, and by
14 the time the report draft was put together, the team
15 leader has become another group head or co-equal of
16 mine.

17 I reviewed the draft report over a
18 weekend in probably very early April 19 -- excuse
19 me, very early May 1985; early to mid-May, anyway,
20 and had some observations on the report.

21 But because Mike Harrison had become a
22 group head, and to keep Mansour Guity, who was
23 primarily the author of the draft report, to keep
24 him from getting possibly conflicting directions
25 from me and from Harrison, I suggested or requested

1 of the director, Kermit Whitt, that I just be
2 excused from this effort and let Harrison and Gusty
3 finalize the report directly under Whitt's
4 supervision. Harrison and Whitt agreed to that, so
5 I had no direct involvement after about the middle
6 of May.

7 Now, all that's background to better
8 answer your original question, which was that I
9 don't recall -- I don't have any specific knowledge
10 of the summary of this report that you're asking
11 about. I vaguely recall that, the subject being
12 discussed, the fact that a summary was desirable,
13 but I really don't recall any of the details.

14 Q. Okay. So, once you stepped out, Harrison
15 was not coming to you for any input regarding that
16 report?

17 A. No. That was our agreement between
18 ourselves and with Kermit Whitt, that from that
19 given point on -- and again, I think it was about
20 mid-May -- the total supervisory effort, first line
21 supervisory effort for the report would be by
22 Harrison.

23 Q. At any point in time after you had
24 stepped out of that review chain, was there a
25 meeting between you and Kermit and Harrison and

1 Guicy regarding this report, and whether or not
2 there should be a summary?

3 You weren't involved in any meeting or
4 conversation like that?

5 A. I don't recall any such meeting. The
6 last meeting I recall on the subject is one that I
7 just mentioned, wherein it was agreed that I would
8 no longer provide supervisory input, or any input,
9 really, but that Harrison would take over that role
10 entirely.

11 Q. Okay.

12 A. I have notes on this topic, this
13 investigation and meetings that I attended relative
14 to it. But they're also in

15 Q. All right. Different subject. Jerry
16 Smith. Was there a conversation between you and
17 Jerry Smith in which you tried to convince him to
18 withdraw his welding concerns?

19 A. No.

20 Q. No. No such conversation? Do you
21 remember -- and I don't have a copy of the letter
22 with me -- a letter from NRC, I think it was Novak,
23 to TVA regarding -- asking TVA whether or not the
24 Watts Bar welding concerns had been finalized?

25 A. Yes.

1 Q. And these welding concerns, were they
2 from Smith or were they really, in fact, from Dallas
3 Hicks, or Jones?

4 A. I don't know. I, after meeting with
5 Jerry Smith, I have to answer that all I know for
6 sure is that Jerry Smith still had concerns in the
7 welding area. This is the copy of the letter to
8 which you refer (indicating).

9 Q. Yeah. And you had no conversation with
10 Smith regarding this letter?

11 A. No, I didn't say that.

12 Q. Oh, okay. What was the nature of your
13 conversation with Smith regarding this letter?

14 A. Okay. On three occasions during the
15 first week of April 1985, I met with Jerry Smith to
16 get answers to the questions asked in this March 28,
17 1985 letter from Thomas Novak to Hugh Parris.

18 The fact that Smith had previously had
19 concerns in the area was pretty widely known. In
20 fact, there had been a meeting with NRC in Bethesda
21 on the matter as inferred or discussed in this
22 letter from Novak. And, in fact, there was a
23 meeting, too, on the same topic back in 1984.

24 And it was well-known that Jerry Smith
25 was at least one individual who had those particular

1 concerns. So, when this letter was received by the
2 licensing group in Chattanooga, they knew that NSRS
3 would be the prime group to provide answers to these
4 questions, such as: Was the TVA employee raising
5 these concerns satisfied with the resolution?

6 I met with Jerry Smith, again, on three
7 consecutive days, I believe they were the first week
8 of April 1985, to get answers to these questions.
9 In the process of doing that -- and incidentally,
10 Jim Murdock, his group had attended two of those
11 meetings, the best I can recall.

12 And in the course of getting answers to
13 the NRC questions, as Acting Director of NSRS, I
14 requested Jerry Smith to sit down and document
15 exactly what his concerns were so that, No. 1, we
16 could answer the NRC's letter; and No. 2, so that we
17 could understand what the concerns were and set out
18 a course of action for dealing with them.

19 Now, the reason I did that -- and Jim
20 Murdock concurred with this -- was that we really
21 couldn't get a good handle on just exactly what his
22 concerns were.

23 For example, his concerns took at least
24 two forms: One form was of -- I don't know what
25 you'd call it, a policy or administrative type

1 nature, which was the same as it had been the year
2 before -- was that the NRC didn't really understand
3 how TVA implemented the AWS program at Watts Bar.
4 And Smith was concerned that they might come in at
5 the 11th hour, start asking questions, and that
6 might delay the licensing of Watts Bar unit 1.

7 Well, in retrospect, I have to say how
8 prophetic. TVA went and told them in 1984 what the
9 program was. They still didn't have any questions;
10 they being NRC. Smith obviously was not satisfied,
11 so a year, 15 months later, he brought it up again.
12 And this time they had questions. And, indeed, it
13 was the 11th hour.

14 The other type of concern he had were
15 some generalized technical type concerns. As best I
16 can recall, he expressed it something like this:
17 TVA's policies and practices in the AWS area are not
18 like other utilities. And this concerned him.
19 However, if the NRC didn't have any questions, then
20 he had no concerns.

21 Q. He said that?

22 A. He said that. And said that repeatedly.
23 Now, that's a little paradoxical to me. But anyway,
24 in the course, again, of trying to get answers to
25 these questions, he was asked to sit down and write

1 these concerns out. His supervisor concurred with
2 that. In fact, we told him to take as much time as
3 he wanted.

4 And, in fact, on the third day, which I
5 believe was a Thursday, he took off, went home,
6 presumably to get some documentation at home to help
7 in his effort of writing up his concerns. Whether
8 he ever did document them, I'm not sure. Nobody in
9 NSRS ever saw what he wrote up, if anything. Now --

10 Q. So, were you unable to answer this
11 letter?

12 A. Oh, yes, I answered it.

13 Q. Did you say he was satisfied?

14 A. No. In fact, I think I have a copy of --
15 well, here's a copy of the input which I forwarded
16 to Jim Darling, the Manager in Nuclear Power, to be
17 used to formulate the official response to this. If
18 you want to take a REMS succession number or read
19 it, whatever you want to do.

20 Q. This is a April 4th, 1985 memorandum to
21 J. P. Darling, Manager in Nuclear Power, from K. W.
22 Whitt; subject: Use of AWS D.1-1 at the Watts Bar
23 facility. REMS reference No. Q-018850404051.

24 A. For example, the response to the
25 question: Was the employee satisfied with the

1 resolution? Our basic answer was: Everybody
2 involved thought so back in early 1984. However,
3 upon discussions this week, we find out that he is
4 not.

5 And then I go on to try to explain the
6 nature of the concerns as best I could figure them
7 out at that point in time.

8 Q. Was it realistic for Jerry Smith to
9 interpret your conversations with him as trying to
10 talk him out of --

11 A. No.

12 Q. -- presenting any welding concern?

13 A. No. At no time did I ever state that;
14 hopefully, at no time did I ever give that
15 impression.

16 Q. You just sincerely wanted him to specify
17 them and document them?

18 A. Yes. Now, initially, I was surprised,
19 and here's why: I had attended, for example, a
20 Board meeting in January of 1984 where the same
21 subject was discussed. The Chairman of the Board of
22 Directors, in response to Jerry's concern in the
23 welding area, that NRC didn't know what was going
24 on, directed the staff to go meet with the NRC and
25 tell them what's going on; give them a copy of a

1 construction spec G-29-C; take as long as you need,
2 as long as it takes to make sure that the NRC fully
3 understand how TVA implements the AWS code at Watts
4 Bar.

5 That meeting was held in February 1984.
6 At a later Board meeting in February of 1984, the
7 topic was rediscussed; it was confirmed for the
8 Board of Directors that the meeting had been held
9 with NRC, NRC didn't have any questions. As far as
10 I knew, everybody was happy.

11 Fifteen months later, after receipt of
12 this letter from Novak, as it turns out, Mr. Smith
13 had never been satisfied. Now, the question is:
14 Why did he remain silent for 15 months? I was
15 surprised; yes, I was surprised. Didn't make a
16 whole lot of sense to me.

17 MR. KINDT: Did you ask him why he waited
18 that long?

19 THE WITNESS: Yeah.

20 MR. KINDT: What did he say?

21 THE WITNESS: He told me that after the
22 meeting with the NRC in early '84, I guess in
23 February of '84, he said that he had received some
24 threatening phone calls indicating that -- I forget
25 his exact words, but the thrust was that he had gone

1 to the NRC, and if he didn't watch it, he was in
2 trouble because of that.

3 He called the phone calls life
4 threatening. Well, you know, I was pretty shocked
5 by that, too. But, again, my main thrust was to get
6 sufficient information to answer the NRC letter.

7 MR. KINDT: Well, if he thought his life
8 was threatened, then what -- where did he get the
9 courage then to come up with this additional, I
10 guess, concern he expressed to NRC? Did he
11 elaborate on that or --

12 THE WITNESS: I can't answer that. I
13 don't know.

14 MR. KINDT: You didn't ask him then?

15 THE WITNESS: No, I didn't ask him that
16 particular question.

17 Q. When was it, again, in 1984, that you
18 came back to NSRS from OQA?

19 A. May.

20 Q. Dallas Hicks was there for a short period
21 while you were there?

22 A. He was there for two weeks after I got
23 back to NSRS. I met him and remember people telling
24 him good-bye. You know, I was surprised to find him
25 leaving. Of course, I had just gotten there and

1 didn't know what was going on at all.

2 Q. You didn't -- did you have any indication
3 that he may have spurred Smith into resubmitting
4 these concerns or --

5 A. Not at that time. I have heard some
6 conjecture to that effect some weeks after the
7 March-April time frame we're talking about here,
8 when it became apparent that a list of potential
9 problem areas that Dallas Hicks left with Jim
10 Murdock when he left TVA showed up as an attachment
11 to an NRC letter coming back to TVA asking TVA to
12 research these problems and tell NRC and the world
13 what they'd done to fix them.

14 Q. You mean, left it with Murdock or you
15 think he left them with Culvert?

16 A. He left them with Murdock who, in turn,
17 gave a copy to Jerry Smith because Jerry Smith was
18 the electrical expert left in Murdock's group. I
19 was reading -- I'm off on a tangent, but real
20 quickly, I was reading this May 1985 letter from
21 NRC, which had three attachments or enclosures
22 dealing with the Employee Concern Program.

23 One of the enclosures dealt strictly with
24 electrical, as I recall. (And when I read that, it
25 looked awfully familiar. And as it turned out, it

1 was identical to the handwritten document that
2 Dallas Hicks had left with Jim Murdock when he left
3 TVA.

4 Now, it doesn't take a mental giant to
5 figure out that either Dallas Hicks or one of the
6 two persons who had access to it in NSRS shared that
7 document with somebody in Washington.)

8 Q. Okay. But back to the Novak letter to
9 Parris. In summary, you received that letter from
10 licensing to look into it?

11 A. Yes.

12 Q. You called Hicks in on three separate
13 occasions asking him to write down and clarify his
14 concerns?

15 A. Jerry Smith.

16 Q. Excuse me, yes, Jerry Smith. And he
17 never came back to you with a clarified listing of
18 concerns?

19 A. No. A little bit more detail. The
20 reason I was involved is that the director was out
21 of the office that week. I was Acting Director.
22 And that's the capacity in which I received this
23 thing to respond to.

24 The following week, Whitt, the director,
25 is back in town. I apprise him of what's going on.

1 He says, "I'll handle it from there," which he
2 did. But as it turns out, Mr. Smith never shared
3 any documented concerns with Whitt, Murdock or
4 myself.

5 Q. Did Kermit Whitt ever have any
6 conversations with you indicating that Smith told
7 him that you had tried to talk him out of --

8 A. No.

9 Q. -- his welding concerns?

10 A. No. What's interesting is that he did
11 tell me, in the turnover process, as to what was
12 going on. He was pretty shocked, and told me that
13 just a week or two earlier, he had talked to Jerry
14 Smith and asked him if he had anymore concerns in
15 the welding area or whatever, and Smith assured him
16 that he didn't have anymore concerns.

17 MR. ROBINSON: Jack, do you have any
18 questions or anything?

19 MR. KINDT: No.

20 MR. ROBINSON: It's 8:35; let's go off
21 the record for a minute.

22 (Discussion ensued off the record.)

23 MR. ROBINSON: Back on the record, 8:36.

24 Q. One more area that I have that I want to
25 discuss, and it may be a very short discussion.

1 Were you in a capacity of supervisory
2 responsibility or review of Mansour Guity's activity
3 with respect to the ANI investigation, Authorized
4 Nuclear Inspector?

5 A. Yes.

6 Q. Why, to your knowledge, did Mansour Guity
7 remove himself from that investigation on November
8 15th?

9 A. It's not real clear, but all I can do is
10 relate the understanding to the best of my
11 knowledge. Mansour became very frustrated because
12 nothing seemed to be happening relative to any
13 action being taken to remove certain TVA managers
14 from positions of influence or otherwise, action
15 being taken to remove pressure from some of the ANI
16 employees at Watts Bar.

17 And he had some justification for that
18 frustration. And I was frustrated as well, as
19 Acting Branch Chief, in attempts to get information
20 to TVA's General Counsel's office, who had the
21 responsibility to take action, initiate action on
22 wrongdoing or misconduct, evidence of collusion,
23 whatever you want to call it.

24 Now, there appeared to be, for whatever
25 reasons, considerable amount of misunderstanding

1 between Guity and myself, and probably others, as to
2 the actual role of NSRS in the matter. I
3 maintained, and still do, that TVA Codes III,
4 entitled Conduct Complaints, very clearly charges
5 the General Counsel's office with responsibility for
6 initiating any type of action whenever there's
7 evidence of misconduct on the part of TVA
8 employees.

9 Thus, to me, it was NSRS's role to
10 provide to the General Counsel's office anything
11 that we had collected that pointed in that
12 direction. The problem was that the investigative
13 team led by Mansour Guity had given the ANIs,
14 essentially, an ironclad guarantee of
15 confidentiality.

16 And that prevented us from just walking
17 up to the General Counsel's office and saying, "Hey,
18 look at all these records. We think they point to
19 collusion." So, we lost several weeks in trying to
20 figure out a way to get ourselves out of the trap
21 that the investigation team had built by giving
22 ironclad guarantees.

23 To this day, I'm not sure exactly how
24 they got there. Mr. Guity has let it be known that
25 Mike Harrison instructed him to do that. Mike

1 Harrison tells me that he instructed the team to
2 give the ANI employees the same guarantee of
3 confidentiality as NSRS would give TVA employees.

4 And our procedures and our training
5 material on the matter are quite clear. Tell them
6 you'll do everything you can, but you give no
7 guarantees; legal or other ramifications or
8 something might make it impossible.

9 At any rate, we were in a box; we
10 couldn't give necessary information to General
11 Counsel's office. They weren't any help at all for
12 several weeks in figuring out a way to help us out
13 of the problem. And we, indeed, did lose time.

14 Guity was putting in an awful lot of
15 hours at his decision. It was certainly not at my
16 request, and I don't believe it was at his section
17 leader's request. He was putting in a lot of
18 hours. Well, hell, so was I, but nobody was forcing
19 me to do it.

20 He had indicated that, in his letter,
21 that he was under such pressure that his body
22 couldn't take it anymore. I'm not real sure what
23 that means. It was shortly after that letter that
24 -- within a couple, three weeks, that I was removed
25 from the Branch Chief capacity and had no more

1 dealings on the matter. So, I'm not real sure how
2 it turned out.

3 Q. I think one of his frustrations was that
4 he was have having to report to so many people. Did
5 you ever get that indication?

6 A. Yes, I did. He indicated that; and my
7 response is and was to him: If you're going to draw
8 the tough assignments, and if you want the tough
9 assignments, then you better be prepared to receive
10 a lot of supervisory involvement.

11 Now, he had, I think, a legitimate gripe
12 that, on occasion, Supervisor X would want an
13 update, and sometime later Supervisor Y would come
14 along and want an update. And there's no reason for
15 that.

16 And if at all possible, if I knew what
17 was going on, I'd do something about that, and tell
18 every Tom, Dick and Harry that had to know, "Come
19 on, let's talk." That, to me, is not harassment;
20 that is merely inefficient operation on the part of
21 first, second, and third line supervision.

22 Of course, in their defense, when the
23 level of activity is as high as it was, three or
24 more supervisors may have not even seen each other
25 all day, much less carve out time in their schedules

1 so they can all meet at one time.

2 Q. Okay. Back when -- different subject,
3 now. When you first came with NSRS back in 1980,
4 were you involved at all in drafting the initial
5 procedures and, we'll call it, NSRS staff manuals
6 for how to conduct reviews, et cetera?

7 A. Yes, I wrote the NSRS review techniques
8 manual.

9 Q. Do you have any -- at that point in time,
10 did you -- was it your understanding that NSRS
11 written reports were to be addressed to the Board
12 through the general manager, or through the manager
13 of health and safety back then? Or was that just a
14 administrative reporting chain verbally, if you --
15 do you see what I'm saying?

16 Did you ever have any indication that
17 reports from NSRS, as opposed to being addressed
18 directly to the cognizant line managers, should be
19 addressed to the Board through the general manager?

20 A. I very vaguely remember one of the very
21 early charters, like in 1979, possibly as late as
22 1980, talking about addressing reports to the
23 general manager and/or the Board. But that's very
24 fuzzy.

25 Q. This document, which is entitled TVA

1 Nuclear Program Review, dated May '79 --

2 A. The Blue Book.

3 Q. Okay. That's familiar to you?

4 A. Uh-huh.

5 Q. It doesn't specifically state written
6 reports, but it talked about a reporting chain of
7 command. And I was just wondering, in your
8 development of your procedures on distribution of
9 reports, did the procedures specifically state that
10 they should be addressed to the cognizant line
11 managers with a copy to the Board, or was there any
12 direction in the procedures about the distribution
13 of reports?

14 A. I'm pretty sure that they did specify the
15 distribution. I was not involved in the development
16 of those particular procedures.

17 Q. Okay.

18 A. But, for example, Procedure 0402 on
19 report writing may have had something in it. And
20 there was an administrative procedure on mail
21 distribution that more than likely would have had
22 something in it.

23 Q. At any time during your tenure in NSRS,
24 either the first time or the second time, did you
25 get the impression that the Board of Directors

1 really didn't want to hear about problems?

2 A. No. To be honest with you, I always had
3 the impression they wanted to hear about problems,
4 but I also left with the impression they didn't know
5 what to do with them once they heard about them. I
6 may be going beyond your question. I'll try not to
7 do that.

8 Q. No, that's what I want. I just want to
9 get your feel for what appears to be a situation
10 where problems maybe were identified, maybe they
11 weren't documented initially, and then they -- the
12 same problems tend to keep coming up.

13 A. Oh, I can cite many, many of those.

14 Q. And generalized --

15 A. And were documented.

16 Q. Can you generalize about the reasons why
17 that happened at TVA?

18 A. The reasons why --

19 Q. Why the problems kept repeating?

20 A. In my estimation, the problems kept
21 repeating because responsible management was never
22 forced to take an honest, hard look at the issues
23 and do anything about them.

24 Q. When you say responsible management, do
25 you mean line management or --

1 A. Yes, line management.

2 Q. And why do you think that situation
3 existed? Because of a weak general manager or a
4 weak Board, or because they were waiting for
5 regulatory people to make them do things or why did
6 that exist?

7 And this is, of course, just your
8 observation.

9 A. Well, I think there are probably many
10 factors. In my estimation, the general manager's
11 position in TVA is a very weak one as designed by
12 the TVA Act. The definition of the position is one
13 of being a liaison between the Board of Directors
14 and the office managers; that is, to communicate
15 Board policy, decisions to the line managers. But
16 it's never been a very strong position.

17 Now, the incumbent, Mr. Willis, fits that
18 role quite nicely. In fact, I heard him one time in
19 conversation say that if you can't say anything
20 good, don't say anything. And that was probably
21 back in '82, '83. But he espoused that philosophy
22 and put it into practice.

23 It was my observation that, in most
24 cases, when NSRS identified problems, even though
25 copies of reports, or even verbal discussions of the

1 problems were given to the general manager and the
2 Board, more often than not, the staff, NSRS, was
3 left to fight it out, if you will, with line
4 management.

5 And a very small staff function, and a
6 very small staff, is not going to have a whole lot
7 of success in fighting problems with offices who
8 have thousands of people at their resource.

9 Q. Was Culver, as a NSRS director, a staunch
10 supporter of his staff or did he kind of let his
11 staff fight their own battles with the line?

12 A. Culver was a very staunch supporter of
13 the staff, once the staff members put together a
14 case, if you will. And I think that's quite
15 appropriate.

16 In other words, if a reviewer or
17 investigator identified a problem and could describe
18 that problem in understandable terms and provide a
19 basis for it, Culver supported the staff members all
20 the way.

21 Now, there are a few members of that
22 staff that spent the majority of their time talking
23 about problems, and spent very little time doing the
24 field work and the leg work necessary to document
25 the problem, define how come it's a problem, and

1 provide a basis for their position.

2 Now, in those cases, Culver would say,
3 "We can't do anything with that." And rightfully
4 so. I've been in the same position, myself, on
5 occasion. Jim Jones.

6 Okay. So something's a problem. Sit
7 down, write it up in an understandable form, and
8 then we'll send it out. And that part he could not
9 do.

10 But there have been very few instances
11 where documented problems got direct attention and
12 involvement on the part of the general manager or
13 the Board.

14 Q. Line managers just had too much power?

15 A. Yeah.

16 Q. Did you get involved at all in the
17 Appendix B presentation to Commissioner Asselstine,
18 or the aftermath of that?

19 A. I was not involved at all in the
20 presentation, nor was I directly involved in the
21 aftermath, except that, of course, I have been
22 affected greatly by that aftermath by virtue of
23 having to seek employment elsewhere.

24 Q. The Appendix B aftermath was the cause?

25 A. Not really. The -- it was one of a

1 series of blows to NSRS that led to its demise. But
2 the demise actually started much earlier.

3 Q. So, the aftermath of the Appendix B
4 presentation was kind of the straw that broke the
5 camel's back for you?

6 A. No, not really. I don't want to mislead
7 you. I'm saying it had a tremendous impact on the
8 viability of the NSRS to continue in a useful role,
9 in that it added to the discord, the dissension, et
10 cetera, within the staff. But again, the demise of
11 NSRS started much earlier.

12 Q. In your opinion, was the bottom line that
13 we are not in compliance with Appendix B at Watts
14 Bar a correct statement?

15 A. I don't know, in that I was not -- am not
16 privileged to the body of information that those
17 people that drew that conclusion had at their
18 disposal.

19 Q. Have you, in your career, have you been
20 involved in any Corrective Action reviews?

21 A. Yes. I supervised the conduct of a
22 review of the Corrective Action System in the
23 operating plants and organizations associated with
24 the operating plants in the spring and summer of
25 1985.

1 Q. And I believe that report was not issued?

2 A. To my knowledge, it has not been.

3 Q. What was your feel or knowledge of the
4 Corrective Action System at TVA as a result of that
5 review?

6 A. That review, for the most part, didn't
7 tell me a whole lot about the Corrective Action
8 System, which is one reason it may not have been
9 issued.

10 Let me explain that. When I came back to
11 NSRS, I had become convinced of the need for an
12 exhaustive review of the overall Corrective Action
13 System. That's why I put it on the list and that's
14 why we did it.

15 And I set the team off with a charter, if
16 you will, to go find out and document just how bad
17 that Corrective Action System is, and gave them lots
18 of areas to look at, where I knew, just knew there
19 was a problem.

20 But again, I was in the classic position
21 of knowing that's a problem, but yet the field
22 work's got to be done to provide the basis and
23 document the why's and how's.

24 Well, unfortunately for the operating
25 plants, that effort did not result in findings

1 nearly as concise and clear as I thought: they
2 would.

3 Q. Was that the result of the poor review or
4 the result of the Corrective Action System not being
5 as bad as you thought it was, or both?

6 A. I'm not sure.

7 Q. Okay.

8 A. I certainly had some problems with the
9 manner in which parts of the review were conducted,
10 and I also had problems with the adeptness at which
11 parts of the report were written up. But, indeed,
12 what I had requested was probably a much larger
13 chore than originally envisioned.

14 That is, it's been my experience that
15 when you bite off a chunk of work that large, when
16 you get through with the first month or two worth of
17 effort, you're really ready to start your review.
18 And that's what I would have liked to have done, is
19 start over and do it again and do it in more depth,
20 using the knowledge that the team had gained the
21 first time through.

22 But -- no, I don't guess that report has
23 ever been issued. I struggled with that report up
24 through August and, I guess, early September of last
25 year. But since I had transferred over to

1 investigations, and we were building the staff like
2 crazy there, I simply could not pursue review of
3 that report and handle the investigative branch as
4 well.

5 So, again, over a period of time, I kind
6 of lost contact with it. It stayed with the Reviews
7 group.

8 Q. Did you ever see the sworn, notarized
9 final response of TVA to the commission regarding
10 whether or not they were in compliance with Appendix
11 B?

12 A. No, I don't think I did. I had heard
13 about it. Something to the effect no pervasive
14 breakdowns, and everything that's known problems is
15 in the Corrective Action System; therefore, we're in
16 compliance. I think that's about the way it
17 allegedly went.

18 Q. Yes. The logic being that if the problem
19 is in the Corrective Action System, you're in
20 compliance.

21 Just your opinion, would you have gone
22 along with that statement as a member of NSRS, with
23 your feeling about the Corrective Action System at
24 TVA?

25 A. That statement would have given me

1 considerable difficulty. But again, I'd have to
2 look at the documentation and the information which
3 led to that conclusion.

4 Q. Sure.

5 MR. ROBINSON: Well, I think I don't have
6 anymore questions.

7 Jack, is there anything can you think
8 of?

9 MR. KINDT: No.

10 Q. Mike, is there any concluding remarks
11 that you'd like to make, or clarifying remarks?

12 A. Let me just make one observation.
13 Thought came to mind when we were talking -- or I
14 was talking about the demise of NSRS. It's very
15 paradoxical to me to hear of assertions that NSRS
16 covered up problems or suppressed problems.

17 The paradox is that quite the contrary
18 happened, such as in the Sequoyah thimble tube
19 investigation report which was issued in August of
20 '84. A very frank and a very candid report telling
21 TVA and, subsequently, the world, just how bad that
22 thimble tube event was.

23 And as you're probably aware, after its
24 issuance, NRC came back and looked at it for a third
25 time and decided, by God, that was a bad event, to

1 the tune of a civil penalty of in excess of a
2 hundred thousand dollars.

3 Now, that report gained NSRS tremendous
4 notoriety, and in my estimation, started the demise
5 of the staff; not for suppressing problems, but for
6 making them widely known. So, perhaps you can then
7 understand my consternation when I hear people talk
8 about suppression of problems within NSRS.

9 Q. But, after that thimble tube report, to
10 your knowledge, was any pressure put on Kermit Whitt
11 or Newt Culver to -- the TVA upper management -- to
12 not say such bad things about TVA anymore?

13 A. Not to my knowledge.

14 Q. Did Kermit Whitt ever have any
15 conversations with you in which he said or indicated
16 that as a result of the thimble tube report hitting
17 the presses, that he was going to be a little more
18 careful in the way he said things in NSRS reports
19 from that point?

20 A. I don't recall any specific words like
21 that being used. I can readily recall an admission
22 on my part, and the persons that wrote the report,
23 that maybe we did, as Jim O'Riley said, maybe we did
24 use a few too many purple words, unquote. That is,
25 be very selective and be very careful on how you

1 phrase things.

2 You got to keep in mind people should not
3 misunderstand what I've just said in any way. Now,
4 I'm not saying you don't call a problem a problem.
5 What I am saying is that report was written for TVA
6 consumption, and we saw what we believed to be a
7 very bad attitude at that particular plant, and we
8 were not careful with our adjectives because we
9 wanted to get their attention.

10 Now, had I known, or had the writers
11 known that the report was going to Nucleonics Week
12 and in the Wall Street Journal, that could have
13 impacted -- could have influenced how we chose to
14 say certain things in that report.

15 We'd still come across -- we would have
16 come across with exactly the same message, but may
17 have used slightly less inflammatory terms in
18 describing, for example, the nature of the event,
19 the rapidity with which it escalated and the stroke
20 of good luck by which people got the hell out of
21 there.

22 Q. How did you hear that O'Riley thought
23 there were too many purple words in that report?

24 A. He stated that to me and others in a --
25 in the enforcement meeting at Sequoyah in late

1 September of '84.

2 Q. And how did you interpret his meaning in
3 that statement? Was he warning you?

4 A. I think Jim was just trying to share some
5 experience, and I took it, essentially, as I've
6 expressed my own feelings.

7 That is, that there's always at least two
8 ways to convey a thought, and depending upon who
9 you're writing to, that may dictate which of your
10 options you choose. If it's going to go into the
11 newspapers and so forth, you're just a little more
12 careful.

13 Q. You didn't interpret his comments as
14 being a threat in anyway?

15 A. Oh, no, no.

16 Q. Okay. Well I guess I've said this
17 before, I'll say it again. I don't have anymore
18 questions. Any additional comments?

19 A. No, that's all I have.

20 MR. ROBINSON: Jack?

21 MR. KINDT: No.

22 MR. ROBINSON: Okay. This will conclude
23 the interview. It's 9:08 p.m. Thank you.

24 THE WITNESS: You're welcome.

25 (Deposition concluded.)

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C E R T I F I C A T E

G E O R G I A :

R I C H M O N D C O U N T Y :

I hereby certify that the foregoing transcript was taken down, as stated in the caption, and the questions and answers thereto were reduced to typewriting under my direction; that the foregoing pages 1 through 73 represent a true, complete, and correct transcript of the evidence given upon said hearing, and I further certify that I am not of kin or counsel to the parties in the case; am not in the regular employ of counsel for any of said parties; nor am I in anywise interested in the result of said case.

This, the 4th day of May 1986.



CARL R. FORTE, CCR-B-597.

My commission expires on the 22nd day of February 1987.