ORIGINAL

NUCLEAR REGULATORY COMMISSION

THE REVIEW TEAM FOR REASSESSMENT OF THE NRC PROGRAM

FOR PROTECTING ALLEGERS AGAINST RETALIATION

PUBLIC MEETING

Embassy Suites Hotel
3210 N.W. Grand Avenue
Phoenix, Arizona

Tuesday, September 28, 1993

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California Shorthand Reporting

MEARINGS - DEPOSITIONS - ARBITRATICNS 52 Longwood Drive, San Rafael, CA 94901 Tel. (415) 457-4417

NUCLEAR REGULARTORY COMMISSION:

James Lieberman, Chairman John T. Green

Brian Grimes

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ess.

PROCEEDINGS

(6:00 p.m.)

CHAIRMAN LIEBERMAN: Good evening. If you could take your seats, we have lots of seats up front.

Let me call this meeting to order.

I'm Jim Lieberman, the director of the Nuclear Regulatory Commission's Office of Enforcement and the chairman of the review team for reassessment of the NRC program for protecting allegers against retaliation.

With me today from the review team, on my left is John Greeves, the director division of low level waste in the office of nuclear material of safety and safeguards.

On my right is Brian Grimes, the director of the division of operating reactor support in the office of nuclear reactor regulation.

Also with us today from the Nuclear Regulatory Commission is Dick Brady, from the office of Nuclear Reactor Regulation; Laben Coblentz, from my office, the office of enforcement; Randy Huey, our enforcement officer from Region V; and Gregg Cook, our

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public affairs officer, also from Region V. We also have our resident inspector, Jim Sloan and Howard Warren from Region V.

This is the second of four public meetings to obtain comments from interested persons, including licensees and their contractors and their employees. At each of these meetings we are having an evening session and a morning session.

The purpose of these meetings is to obtain information to assist the review team in evaluating current NRC activities and making recommendations to improve the regulatory process.

The evening session is being provided to make it easier for workers to provide us comments. Tomorrow morning we will begin with a presentation from Arizona Public Service Company to provide us comments on its efforts to obtain employee concerns on safety issues.

The review team was formed at the direction of the Commission to consider whether the NRC is taking sufficient steps within its authority to create an atmosphere within licensee organizations where employees,

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including contractor employees, feel free to raise safety issues without fear of retaliation.

By way of background, there are two federal agencies involved in this area, the Department of Labor and the NRC. The Department of Labor is responsible for doing investigations providing a personal remedy for employees who believe that they may have been intimidated or subject to discrimination for engaging in protected activities. That is raising a safety issue, either to a licensee or to the NRC. The NRC is responsible for enforcement action against licensees to assure that workers are free to raise safety issues.

The review team is considering issues such as:

- (1) Whether the NRC has taken sufficient steps through regulations, policy statements and inspections to assure the licensees, encourage their workers and contractors to raise safety issues.
- (2) Whether the current NRC process for handling allegations is appropriate from the perspective of the employee feeling free

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to raise safety issues.

(3) Whether NRC is sufficiently proactive in cases where employees raise concerns or express fears that they may become subject to retaliation if they do raise safety issues; and

appropriate when discrimination may have occurred, including relations with the Department of Labor, treating the potential for chilling effects, performing investigations and taking enforcement action.

As I noted, we are seeking comments from both workers and licensees. We have published a federal register notice seeking public comments. Copies of the federal register notice are available on the back table.

We are accepting public comments through mid-October. We have also met with attorneys who represent both workers and licensees.

These efforts, including the meeting today, are intended for the purpose of employees, licensees and other concerned

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individuals to bring forth issues and ideas for our consideration.

Following the completion of the public meetings and review of the written comments and the comments from these meetings, we will be preparing a report to submit to the NRC commissioners. It is our expectation that that report will be completed in January of 1994.

The issue before us is an important one. NRC even with its many inspectors can only observe a fraction of licensed activities. We will never have the knowledge possessed by the thousands of employees in the nuclear industry. Employees of the nuclear industry have clearly made contributions to the public health and safety by bringing forth concerns, both the licensees and the Commission.

Employees must feel free to raise potential safety issues to the NRC; however, in the Commission's view, that is not enough, just to come directly to the NRC.

Licensees have the first responsibility for safety. Thus employees must also feel

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free to raise safety issues to their management. We recognize that there is dissatisfaction with the current system. Employees are not always comfortable in raising safety issues. There are cases where discrimination has occurred where employees have engaged in protected activities.

We are looking forward this evening to your ideas and what actions NRC should consider to cause licensees to foster an atmosphere where individuals with potential safety concerns are encouraged to come forward with their concerns.

I want to emphasize that our purpose today is not to debate or resolve specific cases, but rather to gain ideas on how to improve the current regulatory system.

The ground rules for this meeting will be that persons who desire to speak will need to check in at the table in the back of the room here. A number will be given to you. You do not need to provide your name to have an opportunity to speak.

I will call speakers to the microphone here in the front of the room and, as I call

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each speaker, I will announce the number of the next speaker. I will call individuals ahead of any licensees who have identified themselves, because this meeting is scheduled for the benefit of the workers.

Speakers will be initially allocated about ten minutes to speak. In that time, if the speaker is not finished, I will ask the speaker to conclude his or her remarks.

During and after each presentation, we may ask questions to make sure we understand the concern at issue.

We do not, however, intend to debate the merits of the comments. Please do not take our silence to mean that we either disagree or agree with the comments.

If after all persons who are interested in speaking have made their initial remarks and there are persons who desire to make additional comments, we will, if time remains, go through a second round of comments.

We recognize there may be some here who might not be comfortable in speaking before this audience. Those individuals, as

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well as any of the speakers, if they have not done so, are invited to submit written comments to us on the issues raised in the federal register notice.

We have forms on the back table with prepare envelopes if you desire to provide comments to us. Again, we have copies of the federal register notice in the back.

There will also be an opportunity to provide comments tomorrow morning after Arizona Public Service has completed their presentation.

We welcome each of you here today and appreciate your taking the time to meet with us.

This is a transcribed meeting. As I said earlier, speakers do not need to identify themselves by name. It would be helpful, though, if each speaker provided some background on their involvement in the nuclear industry so we can understand their comments and set their comments into context.

We will begin now with the first speak. That will be Number 1 and then following with Number 2. Can we have the

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first speaker?

MR. HEBISON: My name is Jim Hebison.

I have been at Palo Verde for 14 years, the last 12 has been in INC engineering and I think that Palo Verde today is aidressing all safety concerns.

One of my jobs in the INC engineering group is to evaluate these concerns that come up. One of the problems that we have in doing so is that we have -- people will submit a concern and we do not know whether that is a safety concern or just a concern. Sometimes it's very difficult to identify what the purpose of this concern is.

One of the issues that I have a concern with that I think needs to be dealt with is, when a safety concern or a safety issue is evaluated by engineering and the people in the departments that need to do this type of work, how do we close that issue?

We have had cases where we have dealt with a concern, we've done analysis, we've done all kinds of engineering tasks that need to be performed; and it's very hard to convince or to know that that person that had

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the concern sees where we're coming from. It's very difficult.

Basically, I think Palo Verde is doing an excellent job in what we're doing. Thank you.

CHAIRMAN LIEBERMAN: Thank you very much. Next speaker, Number 2.

SPEAKER NUMBER 2: Good evening, gentlemen. Thank you for the opportunity to address you. My comments will be short.

I have been in the nuclear business now 35 years and have been in operations, maintenance and engineering.

As I look at the access to the NRC and the ability to raise concerns over the years, I personally feel that we've had in place, continue to have in place, and at each of the utilities and each of the units that I have worked with as a consultant or as a direct employee, that we have always had the ability to raise concerns.

There's a compelling need, it seems, to provide extensive legislation, rules and regulations on just about every aspect of our life. One of the most important things to us

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as employees in this industry is the safe and reliable operation of our units.

Safety in all of the utilities that I have ever been associated with has always been a major corporate goal and we have continued that. I anticipate that as long as I'm in the industry, that will continue.

At Palo Verde, which I am associated with, I think those goals from the day that I arrived some four years ago until the present, that that's always been a goal. We always understand those goals and I think all the employees have had the opportunity to bring concerns and issues up to their supervisors, the foremen and management.

I can't think of any occasion when someone has been told, no, your concern is not a concern of the corporation. Yet it has been my experience also, with Palo Verde, that people I have come into contact with have been very open.

I have understood some of the recent directives and I think they are consistent with the things I've always felt and believed in that even people who have been identified

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as having concerns about safety, that is a very valid safety question for me and anyone else and that, in my capacity to address those issues, I will do my very best. I know my fellow employees do.

Thank you for letting me speak to you.

CHAIRMAN LIEBERMAN: Thank you. Next speaker, Number 3?

MR. EVANS: I am Robert Evans, been a practicing nuclear engineer since 1960. Over the period of the last 16 years, I have done a number of consulting positions at APS.

Out of that period, roughly 12 years was essentially full time. In that period, I have not experienced any reluctance on the part of APS to deal with a safety-related issue.

I think the crux of the situation lies in the experience level of the supervisor.

It's very difficult for inexperienced supervisors to recognize they are being confronted with a safety concern in the first place.

You may find isolated pockets that someone deliberately resisted, but I think the

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most common situation you're going to run into is that the supervisor that was initially presented with the subject didn't recognize it as being a safety concern in the first place.

Thank you.

CHAIRMAN LIEBERMAN: Could I ask, what did the supervisor think it might be?

MR. EVANS: Employees -- like in the Army, they grouse a lot. Often it's just a general complaint about the state of life. On it can be presented in a fashion that it doesn't appear to be a safety issue.

I don't have a good answer for you on how to come to grips with that, but that is, I think, the thing that has troubled me the most in recent time: How do you get a handle on that? How do we get into the hands of relatively inexperienced supervisors enough knowledge or tools to work with that he can float to the top a genuine safety concern in the first place?

CHAIRMAN LIEBERMAN: Okay, thank you.

MR. GREEVES: Before you go, your

emphasis is on safety concern.

Some of the people who raise concerns

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don't know whether it's a safety issue or not, they're not technical people. And whether it's a safety concern or not, what is the view about -- they have rights, obviously, not to be intimidated or harassed. They just don't know whether it's a safety issue or not, they may think that it is.

So what I guess I'm trying to get at is, do you see any difference between issues that aren't really safety issues and the rights of the employees not to have intimidation, even though they are not familiar with whether it's a safety issue or not?

SPEAKER NO. 3: No, not at all. Of course, you probably know a lot better than I in this, but it would seem to me that the most common complaint is that my concern was ignored rather than I was confronted with some type of retaliation.

And the feeling that his concern was ignored, if you pose the question to the supervisor, say, well, God, I didn't see this as a serious safety issue in the first place.

Did I answer your question?

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CHAIRMAN LIEBERMAN: So it's more of a communication issue, not appreciating an issue as being raised.

MR. EVANS: 3: Yes.

CHAIPMAN LIEBERMAN: Or an issue at all being raised.

MR. EVANS: Yes, a communication issue.

CHAIRMAN LIEBERMAN: Thank you. Number 4?

MS. MITCHELL: My name is Linda

Mitchell and for more than 20 years I worked
as an engineer in design and construction and
operations of nuclear power plants.

Most recently, I worked at the Palo
Verde Nuclear Generating Station, the largest
nuclear power plant in the United States. I
worked at Palo Verde for eight years. I began
in January of 1985 and I worked until January
of 1993.

As a dedicated, conscientious engineer, I raised safety concerns that were so serious that the NRC was forced to fine APS more than \$300,000 in civil penalties.

But in the process, I suffered extreme

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harassment and retaliation from APS, I got virtually no assistance from the NRC. Bet een 1985 and 1989, I reported numerous concerns to the NRC that went unaddressed.

After I reported the NRC Region V's gross inaction to NRC headquarters in Washington, D.C. in 1989, I was threatened with criminal prosecution from Region V officials.

In September of 1989, Blaine Ballard, APS's director of quality assurance, called me a bitch and demanded that I be fired for addressing safety concerns to the NRC. But the NRC failed to investigate this allegation.

In 1989 and 1990, the harassment became worse, the retaliation increased. I was ordered by my management to destroy a safety report that I had co-authored which documented some of my concerns.

I sent a copy of the report to the NRC to investigate; Region V, again, failed to investigate my concerns of retaliation and harassment.

After many months of this extreme hostility, I had to be escorted back and forth

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to work, I had to be escorted into the units, I was threatened at home, I was threatened on the job, a co-worker pointed to a burned and charred dummy and said, "This is what's going to happen to Linda Mitchell if she doesn't get her act together."

After the NRC didn't take any actions on my concerns, I took the matters into my own hands and I filed a Department of Labor case with a whistle blower complaint.

The harassment and retaliation increased. I received two more downgraded evaluations, a reprimand -- although the Department of Labor Wage and Hour ruled in my favor in two of these cases, the NRC failed to investigate this unbearable retaliation.

In a major breakthrough in July of 1992, a Department of Labor Administrative Law Judge ruled that APS harassed me because I raised significant safety violations and found that the Palo Verde attitude toward addressing safety concerns was so abysmal that it created a cancer which, if allowed to grow, could be catastrophic to the public.

In my opinion, that cancer is still

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growing, because in spite of the APS management's words that they encourage people to come forward with their safety concerns, their actions don't support these empty words.

Most people at Palo Verde are still afraid to bring their safety concerns forward. Former co-workers have confided to me that they have no confidence in their management, nor the NRC. They have watched what happened to me, they saw others, they saw the newspaper article that APS paid an \$80,000 civil penalty in my case and still didn't acknowledge wrongdoing. They also saw that it took the NRC three years to bring this enforcement action.

I have a question, Mr. Lieberman.

There's a couple of things I want to have addressed.

I think that there should be whistle blowers on this panel. You can't understand what a whistle blower goes through until you've been a whistle blower. It's just like you can't understand what a rape victim experiences until you've been raped.

I want to volunteer to be on this

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panel as a whistle blower and give you the benefit of what I've been through and what my family has experienced in having our careers and our lives so destroyed and disrupted.

In conclusion, I just feel totally devastated that my career was destroyed, the career that I had loved for many, many years; and I'm very disappointed that the NRC didn't take any action.

But I was even more disappointed when a chairman of the NRC, Mr. Kenneth Carr, who should have been protecting me, left the NRC and went to work at APS on this board of directors.

What should I have expected? The harassment, intimidation and retaliation starts at the NRC residence office and it just goes up from there. I think this is very sad, I hope something can be done to change it, I feel that the legislation is in place to take care of whistle blowers. It's not been enforced and it's definitely not been enforced in a timely manner.

I worked in other nuclear power plants and I raised safety concerns on those plants.

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I was praised. Those concerns were addressed and fixed immediately. They considered that part of my job.

At Palo Verde, you raise a problem, you become a problem. It's totally profit driven. Nuclear safety is a low priority at Palo Verde.

CHAIRMAN LIEBERMAN: Ms. Mitchell, will you have any thoughts of how we could change our process to improve it?

MS. MITCHELL: It's got to be speeded up. I was allowed to sit for a year while three more downgraded evaluations happened to me, an oral reprimand, in which I was threatened with criminal prosecution at that time, also. It just can't be drug out so bad.

And I realize there's a lot of people that don't really have the horrible, horrible experiences that I had; but there are people that have had some even worse than mine, also.

And I think it's time you have someone on the panel, on the review team, that actually can separate these dog-and-pony shows that these utilities put on and these empty

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words they have from the real thing; because actions, in my book, always speak louder than words.

CHAIRMAN LIEBERMAN: Thank you very much. Speaker Number 5?

MS. ROBERSON: Mr. Chairman and members of the panel, ladies and gentlemen, my name is Kathleer Roberson and I'm an APS direct employee. I work at Palo Verde Nuclear Generating Station as a senior engineer in the Nuclear Regulatory Affairs Department since 1989.

For those of you not familiar with Palo Verde organizations, I provide technical and administrative expertise to assist PVNGS management and insuring that the station activities are performed in accordance with regulatory requirements and expectations.

I also serve as a primary interface with the regulatory, the NRC, insuring that the regulator is promptly notified of significant information. I see, however, that my major responsibility to minimize regulatory concerns is by proactively reviewing station activities, insuring that deficiencies are

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properly addressed and that actions to prevent recurrence are effectively coordinated.

I thoroughly enjoy the challenges my job presents. It is of particular interest to me to present my personal views this evening to the regulator concerning how well APS is doing in promoting free and open communication of safety concerns.

with this topic, I should like to state that APS is doing a commendable job in promoting free and open communication of safety concerns. I brought with me an example, a copy of a letter I authored to Region V regional administrator from our executive vice president dated February 1992.

It concerns an NRC office of investigation Case 91004. Both letters are public documents. The OI letter from Roy Zimmerman states:

"We are concerned that some employees may have the impression that they are not to speak freely and privately to the NRC. We recommend that you take whatever action is necessary to correct this impression. Please

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provide us your intention within 30 days."

And the response is this:

"Employees at Palo Verde have the responsibility to report problems or abnormal conditions that come to their attention to their supervisor or foreman. Equally, they have the freedom to bring their concerns to the NRC without fear of negative repercussion. These two means of problem identification are essential aspects of the operation at Palo Verde.

"From initial orientation training to annual site access retraining, Palo Verde employees and contractors are apprised of their responsibility to identify problems to their supervisors and are reminded of their freedom to discuss their concerns with the NRC without fear of retribution, retaliation or termination."

Our standards and expectations, selected orientation and training material and past memoranda, which convey this message, are provided in the attachment. Throughout this document are multiple letters to the employee and information on employee concerns programs,

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articles in their new era, you and your company handbook, site access training, plenty of examples of how APS has been proactively trying to get across about the freedom to express safety concerns.

Also in the back was yet another memo to all APS employees and contractor personnel, as well as to managers and supervisors reinstating that.

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So here we are again. All of the time and effort put into this document seems to have been wasted, not to mention the tax dollars spent in developing legislation concerning employee protection, as specifically addressed in 10CFR50.7.

What is it about the Bill of Rights, the freedom of speech, that whistle blowers don't understand? Could it be, as the OI letter noted, we are all here dealing with an impression that they are not to speak freely and privately to the NRC.

How can the regulator and the employer deal with impressions and whistle blower protection activities in the same breath and do either justice? Are not these very

personal choices to feel discriminated against or to fear retaliation when all the laws, letters and educational processes indicate otherwise?

are making a career out of whistle blowing at the cost of the taxpayer, the employer and co-workers? Could it be that we're not dealing with the voicing of safety concerns without fear of retaliation, but with the assurance of personal interests or gain?

engagement in protected activities does not automatically render him or her immune from discharge or discipline for legitimate reasons or from adverse action dictated by nonprohibited considerations."

reasons. The cost to the employer for whistle blower protection activities is insurmountable. The cost to respond to the allegation of discrimination and to continue to employ an individual with an incurable impression is still cheaper than the cost to attempt to discharge or discipline for legitimate reasons.

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Pertaining to whistle blower protection activities, not only is it inevitable that the employer is going to get his head cut off, but the regulators expect the employer to foot the bill for the materials and to build their own guillotine according to specifications, probably fining the employer during construction for violations of building codes.

I am certain that safety concerns are welcome at APS without fear of retaliation. know that the concerns are dealt with expeditiously. I wish that some resolution for current whistle blower protection activities and improvements in the regulatory process would be developed.

I know of no stone left unturned in trying to correct the impression. Has the NRC considered performing a study of the psychological profile of the whistle blower? What about a whistle blower rehabilitation program to help them deal with the stress of voicing a safety concern and then getting on with their lives?

What about innocent co-workers, like myself, who take pride in their work and in

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their company? I may not have a job because the defense against whistle blower protection activities may be too costly for APS to stay in business.

Impressions are not tangible, definable issues that can be dealt with within the regulatory process. Since the NRC feels the necessity to participate in the Department of Labor issues related to nuclear power whistle blower protection activities, how about improving the regulatory process by staffing psychologists to help whistle blowers put their lives back together after such a perceived traumatic experience as expressing a safety concern without fear of retaliation?

The whistle blower with an impression of retaliation is not getting his or her addictive emotional expectations met and that's creating a problem for all of us.

Thank you for listening.

CHAIRMAN LIEBERMAN: Thank you.

Though, unfortunately, there are cases where they really have been discriminated against for raising a safety issue.

Next speaker, Number 6?

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MS. McCAMLESS: My name is Chris
McCamless and I'm here this evening as a
concerned citizen and an ex-employee of Palo
Verde.

Before I address the review team, I would like to take this opportunity to thank you for the opportunity to speak to you this evening.

My career in the commercial nuclear industry began in the summer of 1980. My formal education includes a Bachelor of Science Degree in nuclear engineering and a Master's in hazardous materials and waste management.

I was employed by APS and assigned to Palo Verde from June of 1983 until my resignation in August of 1992.

During my employment with APS, I had the unfortunate opportunity to experience the rights of the protected whistle blower. My nightmare began with the filing of a 2.206 petition, dated May 22, 1990, in which myself and several members of Palo Verde management were named. At that time, I held the position entitled senior licensing engineer.

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It should be noted that the alleged improprieties of the APS personnel named in the 2.206 were found unsubstantiated as documented in the final director's decision under 10CFR2.206, dated August 12, 1992.

In the process of protecting the rights of the whistle blower, many individuals, including myself and APS, became whistle blower victims, whether a victim of slander, a victim of countless inquisitions and depositions, or a victim of helplessness with hands tied and mouths gagged in fear of doing or saying anything because it may be interpreted as retaliation or discrimination. Companies and employees do not work efficiently or effectively under this guise.

The current laws for employee protection, or rights of the whistle blower, contained in Section 210 of the Energy Reorganization Act prohibits discrimination against any employee who has taken action to identify and correct conditions which might be detrimental to nuclear safety.

As such, the law holds the licensee responsible and accountable for actions toward

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that employee, whether taken by the licensee's management or by other licensee employees.

All licensee employees have moral and ethical responsibilities to report serious concerns which may endanger the public or other employees. In addition to these responsibilities, the employee also has the responsibility to insure that the concern or allegation is real and can be supported with appropriate documentation.

The same law that holds the licensee responsible and accountable does not hold the protected employee responsible or accountable for their actions.

Unfortunately, whistle blowing may occur for the wrong reasons. The statutory protection for whistle blowing may be abused and whistle blowing may occur to protect a poor performing employee or an employee who has been relieved of their duties for other reasons outside actual nuclear safety concerns.

Not unlike those individuals that felt it necessary to provide this protection, I at one time believed that the high moral and ethical standards of nuclear professionals

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would eliminate the potential abuse of this privilege. I had to learn this wasn't true the hard way, by personal experience as my teacher.

Some people will do things for their own personal gain, even if they are wrong. The current laws not only protect these wrongdoings, but condone them.

The organization subjected to protected whistle blowing activities becomes unhealthy. Costly damage control becomes necessary, not only in monetary terms, but also in terms of employee morale.

Ultimately, you and I, the rate payer, pay the bill, but I'm not so sure that the damage to the employees involved is ever repairable.

My own experience left me feeling not only wronged and guilty before proven innocent, but stranded. I was subjected to countless interrogations by APS legal counsel and by the office of investigation and inspector general's office investigators to defend m innocence.

As the invest stion progressed,

additional allegations of improper behavior were made. Once again, I was one of the subjects of these allegations. I remember wishing for this to all stop so I could go on with my life and do my job.

No matter how hard we try, out work does go home with us. It impacts every aspect of our lives. I spent countless nights and hundreds of hours, of additional hours, away from my family, as did many others, working on responses to technical aspects to these allegations.

My life had already been turned upsidedown and then the additional allegations. They were nasty and cruel, but even questioned my own moral and ethical standards.

I asked the inspectors if they had any facts or evidence to support these allegations. The answer was no, yet that did not stop them from subjecting me to questioning or to others.

I asked them who was my accuser. I was not permitted to know. I didn't know when I signed up to work in the nuclear industry that I would lose rights granted to me as a

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citizen in the United States, so what was I t do? What could APS do for me? Nothing, or it might have been seen as discrimination, retribution or retaliation against a whistle blower.

It is not right for the whistle blower to falsely accuse others, or organizations, and have the accused and the organization unable to take any action against that individual. I was alone, yet among the many forced to put up and shut up.

In August of 1992, I decided not to put up anymore. I have spent numerous hours preparing these comments in an attempt to assimilate over three years worth of silence, frustration, pain and anger, picking and choosing my words very carefully, very cautiously, determined not to be inadequate.

These words need to be spoken and my voice needs to be heard so that other innocent individuals do not have the experience the same. Require that these individuals pick their causes wisely, for they too will be held responsible and accountable for their actions. Whistle blower protection, unfortunately, is

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needed in our scciety today, but its abuse should not be tolerated.

Thank you.

CHAIRMAN LIEBERMAN: I appreciate your words. Thank you. Speaker Number 7?

MS. TARAGINO: My name is Sue
Taragino. I am the strategic management
advisor for Palo Verde. I have worked at APS
for eight years and have been with Palo Verde
for seven.

I wish simply to lend my comments to those that were already made tonight. In my work, in the nature of my work, I interface with people all over the company and all over the state.

In all the things I heard about, what I hear about most are the exceptional people of APS, the people that make a difference for our customers, for our communities and for the public. Those exceptional people are here tonight or they're out running their plants and operating the system and they are represented here tonight.

In my dealings and in work that I've done at APS and Palo Verde, we're working to

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take all of those exceptional individuals and form a team to create exceptional results.

Now, this meeting, along with the many, many other forums, training sessions, all-hands meetings, focus programs, all of the things going on in the company, give us opportunities to work together; and yet I believe that after this forum tonight and the one tomorrow, there will still be people that felt they were unable to come forward.

So I congratulate the Commission and our people of APS for taking this opportunity tonight to give us yet another chance to work together. I believe, and it's been stated, that as APS employees we have the responsibility and the right to bring concerns of any sort forward. This is another one of those opportunities. We all have an opportunity to be a part of our solution.

Thank you.

CHAIRMAN LIEBERMAN: Thank you. Speaker Number 8?

MR. MITCHELL: I'm Allen Mitchell, an engineer with more than 20 years of nuclear experience. I'm the husband of Linda

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Mitchell, a notorious whistle blower at Palo Verde nuclear plant.

I find it unacceptable that the Code of Federal Regulations does not have a rule to protect family or friends of a person who brings up safety concerns to the Nuclear Regulatory Commission.

Even though this rule is not in place at this time, it is doubtful that the Nuclear Regulatory Commission would enforce it, because at present they haven't enforced the rules that they have existing at this time.

In my opinion, I was wrongfully discharged from the Arizona Corporation Commission as a result of Arizona Public Service Company's interference with my employment in the hopes that I would take my wife, Linda, who had raised many safety concerns, and leave the area.

It is because of this, I feel it is open season on whistle blowers' families and friends and that the NRC does nothing but stand by and condone those.

It is time that this type of retaliation be stopped and that the NRC take

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action to protect whistle blowers under existing laws and enact legislation to protect family and friends of whistle blowers.

Thank you.

CHAIRMAN LIEBERMAN: Thank you. Speaker Number 9?

MR. WHITNEY: Good evening, my name is Byron Whitney. I've been with APS for almost nine years now, the last three being out at Palo Verde.

I joined Palo Verde in 1990, September of 1990, and hired on there as an investigator, as a corporate investigator. From there, my duties turned over to quality assurance auditor. I would just like to share with you my views of management and the communications that I've had conveyed to myself at that level.

As I look around this room, I could probably point out a dozen to 20 individuals that have personally said to me at a management level that if any time there is a concern, we would expect you as quality assurance to voice that concern and bring it to our immediate attention.

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From there, I can tell you that I've been involved in at least two situations where we have been engaged in activities that did raise an immediate nuclear safety concern. We stopped work, we called people at 1:00, 2:00 in the morning, talked to them on the telephone, and resolved the issues at that time.

In addition to that, if the concerns could not be properly or adequately resolved to everyone's satisfaction, additional actions, written documentation, has been documented and put down and actions do go forward.

I have always been encouraged to talk openly, frankly and to express any concerns at any time. Never once have I been subject to any type of discrimination, harassment or verbal abuse, if that's what you want to call it, in regard to my concerns with safety.

I personally have not raised a nuclear safety concern myself, but I am aware of other individuals that have and my feeling is that they feel, those individuals I have been involved with, that management has been very open, very honest in their communications and

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has spoken frank to them about that.

I think that it's important to know that, while it's not an everyday activity, management on a regular basis -- my management, anyway -- on a regular basis emphasizes to us the importance to identify safety concerns. It's our job.

For me to go into the department and not -- or out into the plant and overlook safety concerns and to just put on my blinders, then I end up being just as guilty as the whistle blower. So I have a job, it has been communicated to me that it's my job to identify concerns and bring them to management for resolution.

And my point is, that I just want to say that as far as I'm concerned, management has done everything it can that I'm aware of to tell employees that that's their job. And anyone who would fear retribution for doing their job, it just doesn't add up to me.

That's my whole reason for standing up here. I didn't have a written presentation, but I don't understand when people say they fear for their jobs or they fear retribution

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because I fear more myself the fact that if I were to go out in the plant and to actually overlook concerns and not bring them to the attention, and it is later found that I was aware of those conditions, I would feel retribution in that respect, in that I did not do my job and I didn't bring those concerns to management.

That's all I really have to say and I appreciate your taking the time to hear me tonight.

CHAIRMAN LIEBERMAN: Thank you.

Speaker Number 10?

MS. THOMAS: Good evening, my name is Sarah Thomas. I have been employed at Palo Verde for 12 years. I have nine years of engineering experience in the pump and valve program, additionally I have five years of health physics experience on top of that.

I have an Associate of Science Degree and am now working on a Bachelor's Degree in human resource management to change positions within the company.

My first concern was raised in 1986 to a resident inspector at Palm Verde. His name was Jay Ball. That was the first and last

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concern to be properly investigated and resolved by the NRC.

The retaliation and harassment by supervision at co-workers began shortly after the original concern was identified to APS by the NRC. The problem was identified through the APS management chain prior to my going to the NRC.

I was denied promotion, removed from my position and forced to cross-train in local and integrated leak rate testing. This change of assignment not only included working extended hours in back shift, but also a much higher exposure to radiation. The work was very demanding.

In October of 1988, I filed a Section 210 with the Department of Labor; April of 1989 a federal Judge found in my favor; September 15th of this year, the Secretary of Labor finally issued a decision and also in my favor against APS.

Beginning in October of 1988 when I filed the original complaint with the Department of Labor, my children were threatened with their lives and harassed by

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Palo Verde employees' children at school, our financial security has been constantly threatened, my husband lost his job because of pressure put on his employer, financial pressure, and our home and autos have been vandalized too many times to even name.

I continued and will continue to raise safety concerns to the NRC. To date, with the exception of the first concern, NRC Region V has failed to properly investigate even one of any allegations raised by me and other employees. These concerns range from safety violations to constant harassment committed by my employer, APS.

Region V's method of investigation is to turn over the concern to APS, allow them to reply, accept it as factual, mail the APS response to the alleger and close the investigation.

Occasionally an investigator will talk with employees; however, they have a peculiar knack of only interviewing those employees who will support the company's stance. They never interface with the alleger 50 get to the truth after they have interviewed APS employees.

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In the past, some of these investigations have taken three to four years to complete. I think this is very untimely and not in the best interest of the employer, the employee or the NRC.

You were asking the question whether employees fear raising safety concerns. You should also ask what happens when concerns are raised to management and the NRC, what happens to the employees and what happens to the concerns, how many of them are ever really resolved.

Not only are the careers of whistle blowers destroyed by the company, but additionally, the careers of those individuals who testify on their behalf and support them.

Gary Arant, a degreed nuclear engineer, was removed from his position as Section 11 engineer after testifying on my behalf. He has not received a promotion in over six years, his salary increases have been minimal, if at all. Mr. Arant bid the senior engineer position for Section 11 that opened 18 months ago; he was not even granted an interview. By the way, he is a certified genius.

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The company hired an individual from outside who did not and still does not meet INC 3.1 qualifications for that position.

Region V refuses to properly investigate this matter.

Recently, APS has made statements that they are trying to change their culture regarding those who raise safety concerns.

Mr. DeMichael stated in mandatory meetings that if we could not resolve concerns through our chain of command, call him.

Last month, via electronic mail, I
addressed a retaliation problem to him. His
reply was that he doesn't get involved in
personnel matters. He referred it to HR, whom
I had already been through the affirmative
action, Beverly Powell. I did not expect
anything more from him. I was surprised that
he replied at all.

I raise this instance for two reasons.

Management does not follow through with their promises; and second, in my opinion,

Mr. DeMichael misrepresented the facts three days later in a statement to the Arizona Republic.

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When we as nuclear power employees are forced to work with such an organization as the NRC and the company's CEO does not walk what he talks, how can you expect us not only to put our careers on the line for a safe facility, but our lives and those of our family and friends as well.

Thank you.

CHAIRMAN LIEBERMAN: Thank you. Next speaker is Number 11.

MR. NAPIER: Good evening. My name is Joe Napier and I work in the nuclear regulatory affairs group. I have worked at Palo Verde for eight years; and I have 12 years in the commercial nuclear power field.

Two things: First of all, I've been involved in a number of operability and reportability issues and, at times they may have been heated, but I believe at all times they were ethically and morally decided. This goes not only in terms of operability, what to expect in interpretation, but also on shift. I do not believe there has been any attempt to cover up safety issues.

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Secondly, my concern with the process that you have for resolving allegations I think could be improved. Sometimes allegations are received by the region and they are sent to a licensee to investigate. don't think that is a very good process.

I think if an allegation is made to the NRC that the anonymity should be protected and that the region themselves should do the investigation. If upon finding a violation, then at that point, obviously, the utility would have to respond and do an investigation, whatever.

But I don't believe that is in the best interest of the whistle blower making an allegation to the NRC to have that turned around and investigated then by the licensee.

Thank you.

CHAIRMAN LIEBERMAN: Thank you. Number MR. RAIL: Good evening. My name is Peter Rail. I have worked out of Palo Verde for the last ten years in some various organizations out of Palo Verde. I currently work for the employee concerns program, I'm a quality investigator for employee concerns.

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I just wanted to bring forth that I voiced a concern. I had like an administrative concern with APS and I felt so strongly about it that I went to employee concerns to voice my concern.

The company investigated my concern, they found in my favor, and I currently work as an investigator in employee concerns.

I just wanted to tell you that employee concerns -- the company has set up employee concerns and we work as hard as we possibly can to insure a timely disposition to safety concerns or human resource concerns, whatever is brought to our program.

In the past nine months, APS has tripled the size of our group employee concerns. One of the problems we were having was dealing with certain concerns in what we felt was a timely issue. Management has addressed that and tripled the size of our concerns.

Right now we're dealing -- I'm personally dealing with some nuclear safety issues and, in order to insure a quick response back to the concerned individuals,

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APS has actually not only tripled the size of our group but they are utilizing manpower from other groups to assist us so we can get back to the people in a timely manner.

I have personally seen our executive management deal with safety problems. We've had employees come to us and have brought forth safety problems and we have substantiated those concerns. I have seen management take very swift and prompt corrective action to those concerns.

Employee concerns when somebody comes to our group, we always keep in continuous contact with the employee, we update and status them on a continuous basis and we always get back to the employee in writing with the disposition.

I just want to say that I work in the program and it's fair, it's consistent and management is behind us 110 percent. Since I've been in the group, which has only been since November of 1992, and even the people who have been in employee concerns for six or seven years, I have never heard of one act of retaliation against an employee, not one.

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CHAIRMAN LIEBERMAN: Could I ask a question?

MR. RAIL: Sure.

experience in employee concerns, is there a need to have employee concern programs? All licensees don't have them; many do. What are your views on that?

MR. RAIL: I feel it's a good outlet for Palo Verde in that if an employee, for whatever reason, he might feel that if he raises a concern to his management or to his co-workers that he might want to raise a concern in confidentiality.

Because we have a lot of employees -- you alluded to it before -- who have a perception but they're really not sure. There's a lot of times I've had employees personally who have felt, not embarrassed, but they weren't sure and they didn't want to bring it forth, so they said that's one of the reasons they came to our program.

It's always good to give employees another outlet and I think the company is providing three or four different avenues for

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employees to pursue if they have complaints.

MR. GREEVES: How do you maintain that confidentiality for those employees that want it?

MR. RAIL: When I interview someone and I talk to them about confidentiality, I tell them that of course the confidentiality is within our management group and I tell them the levels of management that I would like to raise that concern to; and I always get their permission to do that before I do.

If I tell them I would like to raise it to a certain level of management and they say, okay, but I just don't want you to tell such-and-such, but I have no problems with you talking to a certain level.

CHAIRMAN LIEBERMAN: When you do your investigations involving an issue where there may be a limited number of people who may know about an issue, do you take any special steps to try to avoid fingerprinting, if you will, who the alleger might be?

MR. RAIL: There's certain times and there's certain allegations that we get that we talk to the employee and let them know it

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would be almost virtually impossible for us to investigate their concern without mentioning a name or a specific incident. Usually when you talk to them, they're aware of that.

As far as -- otherwise, we go to whatever steps we can to insure confidentiality. Unfortunately, there's certain times and we always let the employees know up front that it would be such a technical area or such a small area that it would be almost virtually impossible to insure confidentiality. We always talk about that up front.

CHAIRMAN LIEBERMAN: Thank you very much. Speaker Number 13? Number 13? Number 14?

MR. SALAZAR: I didn't write anything down, but I've been taking notes pretty good.

My name is Mike Salazar. I've worked out at the plant for 12 years. I was there two years for Bechtel and came to work for APS in 1983. I started out there as a maintenance electrician and have come up through the ranks of a foreman and supervisor.

I am now supervisor of valve services

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and I also buy electricity from the plant, so I get around in this business.

First let me tell you my perspective as an employee, because first and foremost I am an employee of APS that has a responsibility that if I see something that's not right, I need to bring it up.

As an electrician out in the field for about four years with APS, I never felt that there was any pressure against me to repress any concerns, nor was there any adverse effect for me bringing concerns up.

I've had the opportunity to work in all three units in a variety of startup and maintenance positions in the electric shops and I've got a reputation for being pretty vocal.

Being a maintenance guy, you bring up safety concerns on a daily basis. Every time you go out to calibrate something, every time you go out to work on something, you rebuild something and you find something that's not right. There's a concern there that needs to be rectified.

It may be as simple as replacing a

part or there may be something that you don't understand, but it just doesn't look right to you. Maintenance people do this day in and day out and I just don't see anything adverse going on.

In fact, quite the opposite.

Maintenance people are challenged to go out there and find those type of things and make sure the equipment is reliable. The emphasis there is on, let's get out there, let's go through it with a find tooth comb, let's find out what's wrong and let's fix it while we have the piece of equipment out of service so that it runs reliably.

I had a lot of gcod management people to learn from and to emulate that. I've tried to take that into consideration when I became the supervisor of other people. I talk to my people and I try to relate to them that same expectation that I have of myself and that other people at the plant taught me.

I want them to go out and work on equipment and when we're done with it, there shouldn't be any problems there. If they see something that is not right or if something is

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broken, we need to fix it. It does us no good to put it off, it does us no good not to fix it, that's what our job is. We're there.

I'm kind of in awe because everybody that's been up here has been an engineer and they have a degree in everything; I'm the guy out in the field that's turning the wrench and bringing up concerns is just a way of life for me.

I have to deal with them every day and I have to deal with them correctly and I have to deal with them so, most importantly, I'm not afraid of my job. I can go work somewhere else, I can get a job tomorrow if I need to, but I have to go home and sleep at night. And if I didn't do the right thing and if I didn't have the backing of my management to encourage me to do the right thing and to tell me that was their expectation of me, I couldn't work there and I couldn't live with myself.

Now, I told you I was taking notes and I've heard some good things on both sides of the fence; and I've heard some things that surprised me. People that have brought up

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concerns not only have a problem with APS, they seem to have a problem with the NRC, too, and that was surprising to me.

I heard the process takes too long and that's certainly something we all need to deal with.

I heard that there should be a shared responsibility between the employer and the employee to make sure the concerns are valid and to make sure that they're responded to in a good manner and that we solve the problem.

That's what we're all here for, to enhance the industry, not find out who was ruled in favor against. That doesn't do anybody any good and that doesn't increase the reliability of our industry, nor does it make us more cost effective.

I've heard that some people misuse the process and that's probably true. I also heard you say that some employers try and suppress the process and that's probably very true, too.

I think the key here is that there's a lot of people in this room with experience on both sides of the fence and as a third-party

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regulator type. And I don't think this process is going to work as long as all three of those groups are looking at things from their own perspective. I think that all three of those groups need to get together and find out what needs to be done for the goodness of the industry.

As long as we're wasting time having meetings like this and finding out what each other thinks, we're not solving problems and we're not making the process any better. And that's my challenge. I think that dovetails right in with the challenge that Mr. Selen made. We can either sit here and drive this industry in the ground or we can get together and solve our problems and make it more cost effective.

That's all I have to say.

CHAIRMAN LIEBERMAN: Thank you very much. Speaker Number 15?

MR. ARDIDO: My name is Nick Ardido.

I'm an INC technician at Unit 1 and I brought up plenty of safety concerns in the three years I've been an INC technician there.

I just wanted to say that if you have

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a legitimate safety concern and you bring it up to the proper channels, the company will act on it. I've had several concerns now that were addressed to my satisfaction, so that part of the process, I think, is working.

All the INC technicians in Unit 1 are pretty vocal. We bring up safety concerns all the time. I think part of the problem I'm experiencing right now is with promotions in the job bids.

Right now we have a lot of technicians in the INC shop who should be promoted to senior tech who were not being given a good reason why they weren't. They are certainly well qualified to be senior INC techs. We really haven't gotten a resolution to that.

The other problem is the bid process.

A lot of the INC techs, I know me personally, like to bid on other jobs, better jobs, are certainly well qualified for those jobs and for some reason we're not getting them. We've had a lot of guys in the shop for a long time.

So, while we haven't experienced any overt harassment or nobody has threatened us,

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taken us aside and talked to us, and I don't think any of us fear for losing our jobs, it seems that if you bring up a lot of safety concerns and you're critical of the management, you're not going to get a promotion and you're not going to be able to bid on a better job. You're just not going to get it.

I think this is the real chilling effect, as far as the number of people that have been going to the NRC. One of the things I heard is people aren't using established channels to address safety concerns, they're going right to the NRC.

One of the reasons for this could be that people feel if they're critical of the management, bring up safety concerns, it's going to affect their promotion, affect their career or they're not going to be able to bid on another job. I think this is the real chilling effect.

I don't have any imperical evidence to support this, I just have some anecdotal evidence, but I think this is maybe one of the areas that should be investigated.

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One of the things I'd like to see is if you're eligible for a promotion and you meet the requirements, you should get it. If you've been on the job and you're qualified for that job, you should get it. And if you don't, you should be given a good reason why.

Right now we're not really being given a good reason why, so we can only speculate.

One of the problems may be that we -- in the INC department might be that we are extremely critical of management and we do bring up a lot of safety concerns.

CHAIRMAN LIEBERMAN: Thank you.

MR. GRIMES: I have one question.

Have you or your co-workers brought things to management directly or to the employee concern program?

MR. ARDIDO: Pretty much, I'd have to say, any vehicle we could possibly have, we've brought up concerns. We've had people go directly to the NRC with some technical problems, we've had people go to employee concerns, we've had some people, for instance, bid on the job and didn't get it -- they were obviously well qualified for it -- took they

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out of equity and we have a whole group of people in the INC shop right now that are eligible for senior tech and aren't being promoted and we don't know why.

Basically, they're not really giving us any hard evidence -- in other words, you have to do this or you have to do that, it's just kind of a gray thing where they say, we haven't made up our mind yet as far as who we want to promote. That's all we get.

So at that point, that could have a chilling effect. It doesn't have a chilling effect on us because we still speak up. But for other people, if this is going on in the whole company, you could see where people would go, well, I'll keep my mouth shut or I'll just bring it up directly to the NRC, try to remain, you know --

But like I said, I don't have any hard evidence for that, but it might be something to look into. And that, I think, is probably more of a chilling effect than the couple spectacular cases where people are actually overtly harassed and threatened.

I think that might be more of a

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problem there as far as people bringing up concerns.

CHAIRMAN LIEBERMAN: Thank you. Speaker Number 16?

MR. BELL: My name is Ralph Bell. I'm a contractor and I work in Unit 3 utilities.

I've been employed out in Palo Verde since
1990.

In 1991 I raised a safety concern for a fire watch. The employee concerns, along with the NRC, followed through on it and they came up with a program to verify that all employees doing the runs did do the runs or qualified for their -- to solve the problem that was in the beginning.

They didn't receive any harassment from that. They dealt with some of my effort, my supervision as far as, you know, I was feeling maybe they had favoritism because they were relatives of the supervision, employee concerns looked into that, also; and I feel very confident at that time with that.

Recently I had other concerns. I dealt with my maintenance manager because my supervisor was gone, and my plant manager, and

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we addressed different concerns regarding inconsistencies in the doors. And the security, I guess you'd call specialist, came over and they're working on building consistencies through all the units and the doors.

I felt that APS management gave me, you know, a good benefit on that, listening to my concerns and gave me a lot of time after work and during work. I worked the swing shift so they had to, you know, take off from their vacation because they had a vacation plan and actually speed it up.

I think that's important, so like me, as a contract employee, at first might have a concern and want to voice it and might not feel like people really want to listen to it, and when I see that they tell me, okay, I do want to listen to it, I know they're taking care of it.

I think it's important also when an employee has a concern that management tries to figure out what goal that employee wants, not just the concern, but where they want that concern to go, what cothey want out of that

concern. Not just, you know, what is the concern but what purpose to fix this concern.

That way they understand what -- because an employee really won't know the technical aspect, but they'll know if this concern was fixed, then we could meet our requirements for the NRC over safety concerns.

One last -- as far as Unit 3, my management has even helped out in concerns that have dealt with my own contract company as far as harassment or retaliation which isn't even dealing with a safety-related issue, but they were there to make sure, you know, there was no harassment going on. And they made sure, you know, that something stopped.

So I'd just like to say that's my experience and I'd like to think that APS management could, if they have problems in other areas, that everybody could have that kind of feeling when they have to raise a safety concern.

CHAIRMAN LIEBERMAN: Thank you very much. Speaker Number 17?

MR. IRWIN: My name is Jeff Irwin.

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I'm a senior engineer in nuclear regulatory affairs licensing area. I've been working at Palo Verde for about three years.

I have been in the commercial nuclear power industry for about 13 years at various jobs from startup to design to licensing, where I am now.

I guess I'm worried about jobs because there's getting to be too many good people at Palo Verde. I've applied to a lot of jobs and I haven't gotten the advancements; but somehow, looking back at it, a good person went into that position.

I do raise safety concerns in my
position now, in my other position at Palo
Verde, which was head safety group engineer,
ISE engineer. Then, now, all the time I spent
in Palo Verde, I have no concerns for my
career based on reporting safety issues.

In my time at Palo Verde I have not seen any retaliation in the workplace, either by company or other employees. I think that Palo Verde has one of the best, an excellent environment to raise safety issues or issues of any kind.

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I see a general willingness to accept the responsibility to take an issue and bring it up to the proper level of management, whether it's the supervisor, the manager, the vice president or even to carry it out internally to the NRC.

I see the ability in this process to ask the hard safety questions. I see issues being raised up to a point where it's no longer a safety issue. It's still at issue, it's put aside in the proper priority and worked to completion.

Thank you for your time.

CHAIRMAN LIEBERMAN: Thank you very much. Speaker Number 18?

Why don't we take a break, then, until 7:45 to see if there is anyone else who is interested in raising questions.

Let me remind everybody that we do have forms on the back table if you feel uncomfortable raising an issue here, speaking to us, feel free to send me a note with your comments, because we do want to hear from as many people as we can. Thank you.

(Whereupon, a short recess was taken.)

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For those of you who might have come after we started, what we're doing this evening is giving out numbers for people who desire to speak. We also have comment forms on the table by the entrance with postage paid envelopes, so if you want to send us any comments, you're certainly invited to do so and we're interested in getting comments on how to improve the process.

I guess we'll pick up now with Number 18.

MR. DUNLOFF: I wasn't here at the beginning and I'm sure if I know all the rules.

My name is Jerry Dunloff and I work at Palo Verde. I'd like to relate a story that happened to me when I talked to the NRC not too long ago.

The event involved a question. I work in the QA Department and I had a question about 10CFR on what was reportable. And we were in discussions with our licensing department at the time, QA.

I figured that the NRC would be the

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experts of what was the intent of 10CRF requirements, so with that, I went to the NRC and said I would like to discuss some reporting requirements on -- it was ESF actuations.

And I explained to them the circumstances and what was in the contention was what designated a manual operation or manual actuation. We were in argument with our own departments, but I wanted to hear what the NRC's interpretation of these words in 10CFR was, so I explained it to our resident.

At the time, his supervisor from region was there. He also attended that meeting. The problem that made me feel bad about the whole thing was that I didn't find out about it until later, but our department, QA department, myself, the other people, engineers that were in the room, we got criticized by the NRC and it was written down in a report, it wasn't just verbally, it was written in an inspection report that we were trying to get the NRC between, to get them to side with us or this other department.

I can tell you what it did for me, it

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was a real chilling effect. I don't think I would like to go back to the NRC and report a problem to the NRC. I have no problems talking to my supervisor, I have no problems talking to my manager, the director, I'll go to Bill Conway, I have no problem with my chain of command.

But I don't think I'll ever go back to the NRC because of the way they treated me and the way they made me feel. So I'd just like to make that statement.

CHAIRMAN LIEBERMAN: Jerry, do you have any idea when that inspection report was issued?

MR. DUNLOFF: It was about -- probably a year and a half ago.

CHAIRMAN LIEBERMAN: Okay, thank you.

MR. DUNLOFF: I can get the number and all for you, but --

CHAIRMAN LIEBERMAN: If you could, I would appreciate that.

MR. DUNLOFF: Okay.

CHAIRMAN LIEBERMAN: Next speaker is Number 19.

MR. BEST: My name is Mark Best. I

work out at Palo Verde. I was hired out there in March of 1990.

When I was hired out there I thought it was going to be the greatest thing, the proverbial dream come true. Being in the nuclear industry's largest facility, I was working to keep myself, my fellow employees and the public safe from the harmful effects of ionizing radiation.

This was nothing new. It has been -- it was just as I had done in my previous job where I traveled to many other nuclear facilities inspecting and testing nuclear air treatment systems to insure optimum performance and identifying problems and hazards.

Assigned to the HVAC engineering department, first as a technician, where I aided in performing in-place filter testing activities on nuclear air treatment systems that either clean up the air prior to being exhausted from the plant's various buildings or treat the air which is recirculated in the control rooms and various technical centers so personnel will remain safe during an

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emergency.

soon I was promoted to a Level 2 engineer, where I was assigned systems to manage more or less from a maintenance point of view. I also retained the duties of helping to perform the in-place tests on the nuclear treatment systems aiding a Level 3 engineer.

It was not long after that when I noticed that several systems, one in particular the technical support center emergency ventilation, required extensive rework and modifications.

Bringing up concerns to my supervisor at that time, I received the following answer of, well, that may be so, but if it's not in the technical specifications you don't have a chance of getting it through the PMC.

Well, that may be so, but doesn't new Reg. 696 state that it would be in the technical specifications? This just seems to be another one of those many areas regarding nuclear ventilation where it appears that Palo Verde is different from other utilities.

Another line I heard that kind of

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struck me when I tried to make improvements to equipment would be, the owners of this place would rather spend outrageous O&M dollars than to sink any more money into this bottomless pit on modifications.

Are these the words from a caring supervisor or what?

Because of the fact that every time I found a problem or concern and took it to the supervisor, with no results, I became distressed and frustrated. It appeared that if things didn't have a plus and a dollar sign behind it, if it wasn't on the money-making end of the plant, it was of no consideration, especially if it had to do with ventilation.

If a modification did get pushed through, it would be scheduled for five, six, seven or more years down the line. However, would still go on and do what I could to improve nuclear ventilation and safety. My only hope was that since management around here changes quite often, I would soon get another chance to bend someone else's ear.

My frustration continued to grow because of the attention that nuclear

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with the control room, technical support center, emergency operation facility ventilation and consequently the emergency plan, I found myself cringing every time there was a drill or an actual alert, because, as history has shown, when things went wrong, like for instance emergency lighting, the system engineer was hung up to dry.

With another change of management toward the end of 1992, I decided I had had enough and would take my concerns to the new manager. I did this during one of his open-door meetings where an employee could walk in and talk about anything.

I explained to him that I felt these issues of particularly the TSC ventilation were valid concerns and if they, the management, did not think these concerns were real, I would go to the NRC and ask them.

If the NRC told me there was nothing wrong, I would not question it again.

My manager said that I could rest assured that he would do something about it and I honestly believed that he did. A few

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days later we signed a document that stated the concerns and what actions should be taken. Mission accomplished; help is on the way.

It's still on the way and it will hopefully soon be here. I can't figure out how or why it takes so long to get results. It seems as though when a concern is brought up, it is absorbed into this massive system that takes years to see any change. That is, unless there is a financial benefit to it. Then and only then is there a task force of unlimited resources put together and the problem is resolved in a matter of days or weeks.

Presently, the Palo Verde technical support center and emergency operation facilities are constantly running in their emergency mode as a contingency because of design problems that hinder their ability to be turned on. They have been in this condition for some time, more than two years.

As you well know, these are backup systems. They are meant to be used in a case of an emergency situation, not as a normal ventilation system. Frankly, in my opinion,

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it is at best a disgrace to the nuclear industry that the largest nuclear facility in North America has to have these systems continuously operating for the past two years until changes are allowed to sift through the system because of the low priority they carry.

I thought that the E-Plan, emergency plan, was the reason a utility gets an operating license. Thus, equipment for the emergency plan should get a fairly high priority. Ask the E-Plan people how hard it is to get any maintenance done to the facility and how long they have to wait.

Although the utility has somewhat neglected some efforts in nuclear ventilation, they cannot be totally responsible for the deficiencies. Some responsibilities must rest with the controller. In this case, it would be the NRC. The NRC needs to revise regulatory guides that pertain to nuclear air cleaning so as to give clear direction on what path the utility needs to follow.

Presently, Regulatory Guide 1.52 Rev. 2 is not only outdated, but it is wrong when identifying nonconservative testing methods for

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carbon used in nuclear air treatment systems that protect personnel.

At one time the NRC was asked, when would a revision to the Reg Guide be performed? The answer was that it was not a priority at this time.

It appears that the Nuclear Regulatory Commission and the utilities have placed the same priority on nuclear ventilation.

I have suggested to my supervisor that the prudent thing to do would be to parallel the Regulatory Guide 1.52 technical spec testing with the mcre conservative testing.

Yes, it will cost us more, but we'll be ahead of the game when the changes come down from the NRC.

Do you think that these guys want to hear that I want to spend more money on something that they don't have to do, even if it is for conservative and for safety?

How can you tell if you're being discriminated against because of bringing up safety concerns? After raising a safety concern and one hears repeatedly from his supervisor that you're doing excellent work,

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that you're doing a great job, you're handling the added responsibilities well, he presumes that he will get an excellent raise or maybe even a promotion.

When he gets a mediocre raise and see others promoted in the same department, he started to wonder if he did not get a better review because of a concern he brought up or if he's just not up to that level of competence. However, he was just told many times over that he was doing an excellent job.

When one is at a lower level and takes over responsibilities that a former, higher level engineer had, should he not be promoted to a Level 3 or higher?

When I raised the safety concern of the technical support center, I was surprised that co-workers were patting me on the back saying, "It was about time something was done about this; it's been like that for years.

I'm glad you brought it up."

Why has it been like that for years? Why were they glad I brought up the safety concern? Why did they not bring it up when it was first discovered? Am I naive about

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something around here? Is APS doing better in promoting free and open communication of safety concerns?

Yes, there now appears to be a more open atmosphere at Palo Verde for those who bring up safety concerns. There has been an effort in the recent months to make it even more so.

Yes, I have received support from my co-workers in my attempts to raise these concerns. And it appears that supervision supports my effort. However, there is a hesitation in the back of my mind that in some way it might be held against me later.

Would I bring up another safety concern? You bet. It's my duty to do so and sooner or later I would. But the hesitation will still be there.

Thank you.

CHAIRMAN LIEBERMAN: Thank you.

MR. GRIMES: One clarification.

Early in your remarks you mentioned that your supervisor said it wasn't in the tech specs so there was no chance of getting it through. I didn't get --

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SPEAKER NO. 19: The PMC, which is the plant modification committee that Palo Verde has.

MR. GRIMES: Okay, I understand. Thank you.

CHAIRMAN LIEBERMAN: Is there anyone else who desires to speak? We don't have anyone else who has asked for a number. Or are any of the previous speakers interested in talking further?

Maybe we'll take another break for half an hour. We're going to be here until 9:00 in case anyone shows up later. If anyone does want to speak, if they change their mind, if you let me know and we'll get your number when we resume.

So at the moment, let's take a break until 8:30.

(Whereupon, a short recess was taken.)

CHAIRMAN LIEBERMAN: We will resume.

We have another person who would like to speak

now. This will be Speaker Number 20.

MR. BOWER: Thank you. My name is Scott Bower. I have been working for APS now for five months. I came from the Trojan

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Nuclear Plant, where I spent 13 years in the licensing department.

I'd just like to comment that in the five months I've been with APS, I have seen a very open atmosphere with regard to raising safety concerns.

I have personally worked on an allegation investigation. I have worked on another investigation with employee concerns.

And I have seen a very strong willingness on the part of management to deal with the issues, to get to the bottom of it, to understand exactly what's going on and I don't have any concern at all personally with raising safety concerns to my management.

But I'd like to comment a little bit on the process, I guess, mainly is what I wanted to make a point on.

I understand that part of this process is to determine if additional legislation or regulation is needed in this area in order to insure the rights of individuals are protected. And I'd like to comment that I don't think additional regulation is needed.

I believe that the Department of Labor

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has adequate regulatory jurisdiction to take actions against people who discriminate against employees. And that is clearly not what is intended and I don't believe that that's any -- I have not seen that occur at any case at APS or in any of my previous employment.

But if people are discriminated against, obviously action needs to be taken and the Department of Labor has adequate jurisdiction to do that.

I believe the NRC needs to stay involved on the side of nuclear safety, which is their primary concern, in determining if these allegations and issues that are being raised have any merit from a nuclear safety standpoint. That's where the NRC should focus its attention, to judge the technical issues to determine of the utilities are taking appropriate action, if the concerns are legitimate, if they're trying to be suppressed or whatever, and that the Department has adequate ability to deal with the issues of discrimination against employees.

That's my comments. Thank you. CHAIRMAN LIEBERMAN: Thank you. As

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long as we've resumed, is there anyone else who would like to speak or supplement previous remarks?

MR. GRIMES: I'd like to add one remark.

I'd like to just add one thing here.

As you think about writing this with additional comments, you might think broader than just Palo Verde. We're faced with trying to figure out what the NRC role is, what the licensee improvements are that are needed.

Across the nation there are 52 different utilities, 109 operating plants. If you could think about, what are the sort of things if regulations are needed, what measures are appropriate to improve the situation. We really are not satisfied with the current situation.

Thanks.

CHAIRMAN LIEBERMAN: We'll break now.

(Whereupon, a short recess was taken.)

CHAIRMAN LIEBERMAN: I just wanted to indicate, we still have ten minutes for anyone who may want to talk now. Again, we still have forms if you want to take one home and

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send us comments; that's another way of communicating with us. We will be here tomorrow morning, too.

It's 9:00. Not hearing any more interest in speaking, this meeting is adjourned until tomorrow morning at 9:00 a.m.

(Whereupon, the meeting was adjourned, to be continued to Wednesday. September 29, 1993, at 9:00 a.m.)

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CERTIFICATE

AS THE REPORTER, I HEREBY CERTIFY THAT THE ATTACHED 6 PROCEEDINGS BEFORE NUCLEAR REGULATORY COMMISSION 8 IN THE MATTER OF PUBLIC MEETING RE PROTECTING 9 ALLEGERS AGAINST RETALIATION PLACE: PHOENIX, ARIZONA DATE: SEPTEMBER 28 AND 29, 1993 L WERE HELD AS HEREIN APPEARS AND THAT THE STATEMENTS THAT 14 APPEAR IN THIS TRANSCRIPT WERE RECORDED ON AUDIO TAPE BY ME AND TRANSCRIBED AT MY DIRECTION: 16 AND THAT THIS TRANSCRIPT IS A TRUE AND ACCURATE RECORD OF THE PROCEEDING. 18 19 IN WITNESS THEREOF, I HAVE HEREUNTO SET MY HAND ON THIS 12 th DAY OF OCTOBER 1993. 21 OFFICAL COURT REPORTER

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