

**ORIGINAL**

**CONFIDENTIAL** TRANSCRIPT  
PROCEEDINGS BEFORE

NUCLEAR REGULATORY COMMISSION

COMMISSION MEETING

CLOSED MEETING - EXEMPTION NO. 10

**DKT/CASE NO.**

**TITLE**

DISCUSSION/POSSIBLE VOTE ON CONTESTED ISSUES  
IN PALO VERDE FULL POWER PROCEEDING

**PLACE**

Washington, D. C.

**DATE**

March 15, 1983

**PAGES**

1 - 57

**AR**

ALDERSON REPORTING

(202) 628-9300

440 FIRST STREET, N.W.

WASHINGTON, D.C. 20001

8402130270 831110

PDR FOIA

BERNABE83-A-9 PDR

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

UNITED STATES OF AMERICA  
NUCLEAR REGULATORY COMMISSION

DISCUSSION/POSSIBLE VOTE ON CONTESTED ISSUES  
IN PALO VERDE FULL POWER PROCEEDING

CLOSED MEETING - EXEMPTION NO. 10

Nuclear Regulatory Commission  
Room 1130  
1717 H Street, N. W.  
Washington, D. C.

Tuesday, March 15, 1983

The Commission convened in closed session,  
pursuant to notice, at 10:05 a.m.

COMMISSIONERS PRESENT:

- NUNZIO PALLADINO, Chairman of the Commission
- JOHN AHEARNE, Commissioner
- THOMAS ROBERTS, Commissioner
- JAMES ASSELSTINE, Commissioner

STAFF AND PRESENTERS SEATED AT COMMISSION TABLE:

- S. CHILK
- H. PLAINE
- J. ZERBE
- R. FORTUNA
- A. KENNEKE
- N. THOMASSON

AUDIENCE SPEAKERS:

- M. MALSCH
- R. LEVI

\* \* \*

P R O C E E D I N G S

21                    Do any other Commissioners have additional  
22 comments before we start?

23                    COMMISSIONER AHEARNE: Only a question. My  
24 understanding was that someone from OI was going to be  
25 here.

1 MR. CHILK: OI is on their way I understand.

2 MR. ZERBE: Fortuna is supposed to be here.

3 MR. CHILK: I understand they are on their way  
4 and should be here shortly.

5 CHAIRMAN PALLADINO: You are going to bring up  
6 pending investigations?

7 MR. ZERBE: Yes, I will mention those, but we  
8 were depending on that gentleman to go into the details  
9 if you wanted to do that.

14           CHAIRMAN PALLADINO: All right, I think we  
15 ought to hear it.

16           COMMISSIONER AHEARNE: Yes.

17           COMMISSIONER ASSELSTINE: Yes.

18           CHAIRMAN PALLADINO: Roger.

19           MR. FORTUNA: Good morning. Roger Fortuna  
20 from OI. Quite simply I think I can wrap up the issues  
21 that OI has primary jurisdiction in in several moments,  
22 but before I do that I think I have to explain how this  
23 effort came about to help you focus on where we are  
24 today.

25           Quite simply the lion's share of these

1 allegations came into the agency prior to the birth of  
2 OI and as such were handled as they had been routinely  
3 handled in the past through the regions and prior to  
4 that through I&E in the regions.

5           Quite simply when we speak and use the term  
6 investigations, it is a loose sense, in the sense that  
7 when these allocations came in and based on information  
8 I have received from our field office and people I have  
9 spoken with in the past several business days, I now  
10 have a clearer picture and quite simply of the amalgam  
11 of Palo Verde allegations that we have received to date  
12 as an agency, and I am giving a rough cut numberwise, at  
13 least three quarters, and I am satisfied with that  
14 number, are truly technical in nature and as such are  
15 being addressed by the inspectors and their requisite  
16 supervisory personnel in Region V.

17           Some of the other issues, the investigatable  
18 as we understand them now, not confusing the term  
19 inspection and investigation, are being handled by OI.

20           As an aside, Mr. Hayes and myself have  
21 determined to dispatch two of our headquarters people to  
22 field office five in Region V to help bring this thing  
23 to a head in a short time.

24           I can't speak for Region V, but as an aside,  
25 it is my understanding, but I don't want you to rely on

1 this information because it is just that, my  
2 understanding, that Region V is also bring in its  
3 inspections which we would have originally referred to  
4 loosely as investigations in a fairly prompt manner.

5           Now given that background, what I have tried  
6 to do is cull out the investigatable items that were  
7 buried in the issues that we have loosely referred to  
8 heretofore as the investigations of the matters of Palo  
9 Verde. Quite simply, there are four items.

10           I am not at all familiar with the contested  
11 issues. So if you will bear with me, or if I am giving  
12 too much detail cut me short. There are four things  
13 based on my conversations with our field office that in  
14 my view clearly fall squarely within the investigatable  
15 areas.

16           Item No. 1 is an issue regarding alleged  
17 falsifications/alteration of welder testing  
18 certifications. Quite simply as I appreciate it, it is  
19 that individuals from a subcontractor prior to their  
20 performing some welds on some tendons were required to  
21 be qualified to a particular welding procedure.

22           These gentlemen went to a Bachtel weld shop  
23 and did some things. These things were, according to  
24 the subcontractor, adequate to provide assurances,  
25 welding coupons and what-have-you. Unfortunately, based

1 on the information that OI has derived todate, and I  
2 think that it will probably hold up to the test of  
3 time. It is fairly hard.

4           There was nobody there that was in a position  
5 to be able to administer the test and certify to the  
6 fact that the individuals did in fact know how to weld  
7 to procedure.

8           A fifth individual that also worked for the  
9 subcontractor was supposedly to monitor this type of  
10 testing, administer it and fill out the certifications.  
11 His concern was a very simple one. In his view, since  
12 he was not certified to weld to the particular procedure  
13 at issue it is quite difficult for him to be able to  
14 pass on the other people's welds.

15           Fortunately, the allegor went very promptly to  
16 Bechtel and to the NRC and the matter was caught in a  
17 matter of a few weeks. Now I will slip to the  
18 inspection side, if you will.

19           CHAIRMAN PALLADINO: I had first thought that  
20 you were going to say that the certifying officer wasn't  
21 present, but now you are saying ---

22           MR. FORTUNA: Excuse me. I am sorry. I will  
23 backtrack. I didn't give you enough detail. After the  
24 fact it was determined that one of the five individuals  
25 present at the test booths was going to have to be the



1 certifying official. Now I can't give you exact detail  
2 as to how that felt in No. 5 as opposed to individual  
3 No. 3. But one of the five was elected to be the  
4 certifying official. He obviously had a concern, he  
5 raised that concern, took it to the proper individuals  
6 both in the NRC and at the site and they had the test  
7 readministered.

8 I speak for the region, but I am confident  
9 that this is essentially the gist. They were properly  
10 certified shortly thereafter and the work has been  
11 looked at, if you will, the work that they did during  
12 the time period when they really weren't up to snuff  
13 certification-wise.

14 Now I don't have this answer, but it would be  
15 interesting to know if in fact they were good welders,  
16 but, if you will, in a technical sense just didn't have  
17 the proper papers.

18 CHAIRMAN PALLADINO: What I didn't pick up is  
19 where the falsification came in.

20 MR. FORTUNA: Oh, excuse me. I will get to  
21 that.

22 CHAIRMAN PALLADINO: All right.

23 MR. FORTUNA: Papers were filled out. AWS  
24 certification forms were filled out by the subcontractor  
25 saying that individuals 1 through 4 were certified to

1 procedures such and such. It was when that paper was  
2 generated that our alleged who was enlisted to go down  
3 on the line as the certifier had the concern.

4 COMMISSIONER AHEARNE: So he certified, but  
5 also then went ahead.

6 MR. FORTUNA: Excuse me. I don't want to  
7 mislead you. I haven't seen the certification paper.  
8 When I asked the questions telephonically, it is up for  
9 grabs as to whether or not he had second thoughts prior  
10 to or he signed under, but it is one or the other. That  
11 is issue No. 1.

12 So the region will be following up in my view  
13 on the ---

14 CHAIRMAN PALLADINO: But they did observe the  
15 test; is that right? These welders went through the  
16 test. This fellow I presume observed the test.

17 COMMISSIONER AHEARNE: Or he was one of the  
18 people taking the test.

19 MR. FORTUNA: But it is at issue as to what  
20 test was actually administered because we have  
21 information from the prime contractor that says our weld  
22 shop is for our welders and we don't recall ever  
23 administering a test and we would not because they are  
24 not our welders.

25 In in fact, it is the truth that these

1 subcontractor people came over, I really don't know what  
2 they would be doing.

3           COMMISSIONER ROBERTS: What is the time frame  
4 for all of this? When did this occur?

5           MR. FORTUNA: Let me make reference to my  
6 notes here and give you a little more precision as to  
7 the dates. Early 1982, sir.

8           Should I move on to the second one?

9           This is an issue regarding termination cards,  
10 electrical terminations. For whatever reason based on  
11 another allegation from another individual,  
12 approximately a year to a year and a half ago there were  
13 missing termination cards. When the cables come into  
14 the box, or however we do it, there was no paper to back  
15 up that in fact a particular inspector had looked at the  
16 termination, had crimped, had used the proper pressure  
17 or the proper gauges to ensure himself or herself that  
18 the termination was properly made.

19           This one is now being worked, but essentially  
20 there were three things that happened regarding the  
21 termination cards.

22           Step one, the termination cards were missing.  
23 Particular QC inspectors were given a number of  
24 terminations to resolve. It appears that in some  
25 instances a particular QC inspector would sit down at

1 his desk with a packet of termination cards,  
2 terminations 1 through 15 as an example, and create the  
3 paper.

4 CHAIRMAN PALLADINO: Without looking at ---

5 MR. FORTUNA: Yes, sir. That is the exception  
6 to the rule, but I am informed that instances of that  
7 have happened. In other situations an individual that  
8 performed the termination was not available for a given  
9 day or a given week for whatever reason and a co-worker  
10 would go out, examine the terminations, satisfy himself  
11 or herself that they were adequate and fill in a card  
12 identifying the QC inspector as another individual.

13 A third situation would be where an individual  
14 went back looked at the termination, satisfied himself  
15 or herself that in fact the work was done properly and  
16 in some instances redoing the work and, filling out a  
17 new termination card with his or her name on it.

18 That is roughly the three ways that it went  
19 about. We don't have a bottom line on this other than  
20 again, and here I speak for Region V, so with a bit of  
21 reluctance, in the sense that it appears from what we  
22 have to date that the terminations that are under  
23 discussion are non-safety related with the exception of  
24 a particular termination which was identified as the  
25 alleged as safety related and in fact there was problem

1 with the termination card.

2 I am trying to put it in perspective. I don't  
3 want to overconcern you or do the opposite. That is the  
4 extent of my information on that particular issue.

5 I will pause for a moment in case there is a  
6 question that you might have that would jog my memory.

7 (No questions.)

8 MR. FORTUNA: I will move on to the next  
9 area. Again, this is regarding questionable  
10 documentation or concerns regarding documentation. It  
11 has to do with stressing jacks again in the tendon area,  
12 and forgive me again for my inarticulate presentation on  
13 this. I am not totally familiar with what stressing  
14 jacks are used for other than to tighten up the tendons.

15 According to the allegation, one or more of  
16 the stressing jacks fell to the ground and upon falling  
17 to the ground there was an assumption on the part of the  
18 alleged that they must have been no longer in  
19 calibration and that it is important to have the proper  
20 torque. It must be foot-pounds, psi's, to get them  
21 torqued enough but not so much as to overstress.

22 The region is looking at the inspection  
23 perspective on this one as quite simply that we want to  
24 satisfy ourselves in whatever manner we can that these  
25 stressing jacks were in fact proper calibrated. That is

1 a issue that the region will resolve.

2 My preliminary information from our field  
3 office indicates that these jacks are either working or  
4 not working. If they fell to the ground and became  
5 inoperable, they wouldn't just be out of calibration.  
6 They would be totally inoperable.

7 But the OI perspective on the issue is a  
8 slightly different one, and it is quite simply when  
9 these jacks fell to the ground and perhaps were out of  
10 calibration or totally inoperable, will any individual or  
11 individuals attempt through a bogus manipulation or  
12 what-have-you to attempt in some manner to keep the NRC  
13 from finding that out. But that, from what I  
14 understand, doesn't appear to be too significant an  
15 issue in that the paperwork that was looked at is fairly  
16 routine, an occasional missing initial or something like  
17 that, but nothing that has tipped any of our  
18 investigators off to deep suspicions or any suspicions  
19 of any substance.

20 The final area that I have looked at in my  
21 view is OI related. It is an allegation regarding  
22 undocumented welds on class one piping. Again, the  
23 region has gone through that area, and I don't have a  
24 bottom line, I apologize, I wasn't able to chat with  
25 anybody in the region on this, and has resolved the

1 issue of whether or not there was undocumented class one  
2 piping.

3           We will go behind the region to see if in fact  
4 there was and whether or not there was any paper  
5 manipulation. As another subset of that particular area  
6 there was an allegation regarding cold springing of  
7 class one pipe.

8           I believe the answer from the region was that  
9 there was some, but again the question becomes, if so,  
10 was there a paper problem. These were more technically  
11 related, but had a slight potential for if in fact if  
12 substantiated from a technical perspective, a look-see  
13 paperwise.

14           So in review, in my view, based on my  
15 information available to me at this time, the welder  
16 qualifications issue I would think we will be able to  
17 resolve and it sounds typically OI. And the termination  
18 cards is another typical type problem that we encounter  
19 in our efforts and we will have a resolution on that.

20           As I opened with and I will close with, we  
21 will have two individuals from our headquarters office  
22 going out to Five next week to help wrap these things up.

23           CHAIRMAN PALLADINO: Are these all in the  
24 mid-82 time frame?

25           MR. FORTUNA: Yes, sir. Early '82 to

1 mid-'82.

2 CHAIRMAN PALLADINO: When did OI take under  
3 its wing these four?

4 MR. FORTUNA: Well, we inherited them, as all  
5 others, on 19 July 1982.

6 CHAIRMAN PALLADINO: Why has it taken so long  
7 to get these? Maybe it is just all the things that you  
8 have inherited.

9 MR. FORTUNA: I don't want to sit here and  
10 make excuses, but I can give you background. I think it  
11 is quite simply, and we have had this problem in our  
12 other field offices but, fortunately, they were of a  
13 lesser magnitude allegation-wise and we were able to  
14 clear it out, that which was almost done prior to OI's  
15 birth went out as a regional product even though OI  
16 investigators worked on it. That which came in on the  
17 19th was clearly ours under our system.

18 This happened to be the biggest one that kind  
19 of happened half way through the field work, and, in my  
20 view, it is quite simply an understanding of what is  
21 technical and what is investigative because historically  
22 we have kind of merged the two together and fuzzed and  
23 confused in some instances.

24 This quite simply, in my view, I think field  
25 work complete unless it is not completed to



1 headquarter's satisfaction in the function of a  
2 write-up, and that is why the dispatch of our two  
3 investigators.

4 CHAIRMAN PALLADINO: When do you expect to  
5 have these investigations completed and written up?

6 MR. FORTUNA: Mr. Chairman, I am reluctant to  
7 give you a date, but I will try to and ask you not to  
8 hold us too firmly to it. I would anticipate that if we  
9 can have our two headquarters resources crashing on this  
10 with the region and there are other things that they  
11 have to do -- excuse me, the field office, see I slipped  
12 into that, too -- that 45 to 60 days would not be  
13 unreasonable.

14 CHAIRMAN PALLADINO: It would be settled  
15 before there would be a need for fuel loading.

16 MR. FORTUNA: That was our hope and I think we  
17 can meet that.

18 COMMISSIONER AHEARNE: Roger, you had started  
19 out by pointing out that you had separated the  
20 allegations and approximately 25 percent, as you said,  
21 were really in the OI area.

22 MR. FORTUNA: Yes, sir.

23 COMMISSIONER AHEARNE: And 75 percent  
24 therefore in the inspection area.

25 MR. FORTUNA: Yes, sir.

1           COMMISSIONER AHEARNE: Are the 75 percent  
2 technical pieces of these four or were there additional  
3 items.

4           MR. FORTUNA: I am sorry, I didn't catch the  
5 last part of your question.

6           COMMISSIONER AHEARNE: Is the 75 percent in  
7 the technical area the technical issues relating to  
8 these four topics you just covered or are there  
9 additional topics?

10          MR. FORTUNA: Oh, yes, sir. There are other  
11 issues that are being resolved by the region separate  
12 from those that I discussed. In fact, that is the 75/25  
13 cut that I was describing.

14          COMMISSIONER ASSELSTINE: So the 25 is just  
15 what you have already described?

16          MR. FORTUNA: Yes, sir, and whatever technical  
17 assistance that would be involved in those issues. To  
18 be quite honest, I think it is probably even  
19 numbers-wise more toward the technical side, but I was  
20 trying to be conservative because we are talking in the  
21 area of 35 to 40 allegations from several allegeders, some  
22 duplicative.

23          COMMISSIONER AHEARNE: Jack or Neill, do you  
24 know what this list is?

25          MR. ZERBE: We don't have that many. We had

1 six.

2 MR. THOMASSON: No. There was what I term in  
3 our statement we gave Jack to give you six  
4 investigations/inspections, but these are composed of  
5 the number of allegations Roger just indicated.

6 For example, one that was not admitted by the  
7 Board last June, if I may term it, the electrical worker  
8 allegation, an electrical worker from Bechtel, initially  
9 had 17 points in it and it has developed into 22.

10 COMMISSIONER AHEARNE: See, what I am puzzled  
11 by now is that Roger has given these four topics, but he  
12 has said that that four represents 25 percent of some  
13 universe, and now I am puzzled by what is the other 75  
14 percent.

15 COMMISSIONER ASSELSTINE: Yes, that is right.

16 CHAIRMAN PALLADINO: The universe would sound  
17 like 16, wouldn't it?

18 (Laughter.)

19 MR. FORTUNA: It is probably more.

20 COMMISSIONER AHEARNE: So I am wondering what  
21 the other ---

22 CHAIRMAN PALLADINO: Are we going to get a  
23 report on this when we get to the uncontested issues I  
24 presume from the staff?

25 MR. THOMASSON: I understand that is a normal

1 part of the presentation to the Commission. I think it  
2 would be a matter of when you want this. My  
3 understanding is that normally they report this before  
4 they come to you for a full power license usually after  
5 the fuel loading.

6 COMMISSIONER AHEARNE: Right.

7 MR. THOMASSON: I don't think it is proper for  
8 me to go into detail on the technical issues that  
9 involve this. For one thing I think you already have  
10 more information in your monthly status reports than I  
11 could give you right now because I know on this  
12 electrical worker one there is a long list of the status  
13 reports that talk about the technical allegations.

14 Am I right, Roger, on that?

15 MR. FORTUNA: Yes.

16 MR. THOMASSON: We are not privy to that. We  
17 discussed it with OI.

18 COMMISSIONER AHEARNE: But my understanding,  
19 Roger is that the other 75 percent would have nothing to  
20 do with any of these four issues that you just talked  
21 about. Is that what you said?

22 MR. FORTUNA: Let me do this. Let me make  
23 reference for one moment to a couple sheets of paper  
24 that I have here. I am very reluctant to speak for the  
25 region type allegations, but perhaps with a little

1 culling I could give you a feel or a taste if you  
2 thought that was appropriate.

3 COMMISSIONER AHEARNE: I think clarification  
4 would help because at the moment I am puzzled.

5 COMMISSIONER ASSELSTINE: I think it is useful  
6 to think about, too, that in this case we have got a  
7 little bit different wrinkle since the Board has  
8 expressly reserved to itself a decision to reopen the  
9 record. Now they made that decision on the basis of the  
10 allegation of the electrical deficiencies, but if you  
11 have a whole slew of allegations that came in at the  
12 time, either at the end or very close to the end of the  
13 hearing, it seems to me based upon what comes out of the  
14 safety investigations that you have got a real potential  
15 that the Board may reopen the hearing.

16 COMMISSIONER AHEARNE: But it says electrical  
17 and QA.

18 COMMISSIONER ASSELSTINE: That is right.

19 CHAIRMAN PALLADINO: Well, are the electrical  
20 system items these electrical terminations, or are there  
21 some other electrical systems items?

22 MR. FORTUNA: Let me attempt to not further  
23 confuse the issue, and I think I might be able to do  
24 that by just saying that case No. 1 regards essentially  
25 from the OI perspective the welder qualification issue.

1           Wrapped into that is also a couple of other  
2 issues, training records from the inspection side of the  
3 house, alleged excessive tension placed on tendons  
4 during the installation of field anchorheads, and then  
5 there is the third which is the OI issue of the possible  
6 problem with records. Another one was a falling that I  
7 briefly described with the stressing jack to the gallery  
8 floor. That was the issue of the calibrated and  
9 non-calibrated. Then a general issue of QA/QC  
10 independence and the standard production overriding QC.  
11 Another was backcharges from subcontractor to contractor.

12           COMMISSIONER AHEARNE: Backcharges?

13           MR. FORTUNA: Overcharges. I am just laying  
14 out the issues.

15           COMMISSIONER ROBERTS: Why was that an issue?

16           MR. FORTUNA: I am not disputing that. I am  
17 just reciting the concerns of the individual.

18           COMMISSIONER ROBERTS: How is that relevant to  
19 what we are doing?

20           COMMISSIONER AHEARNE: To the NRC?

21           MR. FORTUNA: I don't think that it is, but I  
22 was just trying to be responsive to your question.

23           CHAIRMAN PALLADINO: What are you reading,  
24 allegations?

25           MR. FORTUNA: Yes, sir, I am. What I am

1 trying to to is skim through the allegations I have  
2 broken out into ---

3 COMMISSIONER ROBERTS: We don't need to waste  
4 any time and resources on things that are not our  
5 purview?

6 MR. FORTUNA: Well, OI is not addressing this  
7 issue, sir.

8 CHAIRMAN PALLADINO: Are we investigating all  
9 of these allegations?

10 MR. FORTUNA: What OI is doing is working on  
11 the typical traditional what we all understand are  
12 investigatable items under the NRC. I am just repeating  
13 to you, and excuse me I am be confusing and clouding the  
14 issue more than is necessary, but I understood your  
15 question to be quite simply what were the other issues,  
16 and I work it from the investigative perspective.

17 COMMISSIONER AHEARNE: But these are the other  
18 issues that your understanding is that the regional  
19 inspectors are working on?

20 MR. FORTUNA: Yes. Then a final one in this  
21 particular case, if you will, is issues regarding  
22 shimpacks placed at the end of a stress tendon, a  
23 question of were they properly installed and properly  
24 placed.

25 CHAIRMAN PALLADINO: These are things that the

1 staff would report on?

2 MR. FORTUNA: That would be the Region 5  
3 issues. So as an example, when I said case No. 1, the  
4 OI interest is the concern of the qualification of  
5 welders and the paperwork to back that up. Involved in  
6 that individual's were the other six that I just  
7 mentioned. I was trying to give you a feel for the  
8 other things, the inspection things.

9 Then you take each of the allegers that we  
10 have and you break it out in more detail. As I would  
11 say, here is the OI issue, here is the other  
12 allegations, the technical and the inspector issues.

13 COMMISSIONER AHEARNE: Now you had QA/QC  
14 independence as one of those that you mentioned.

15 MR. FORTUNA: Yes, sir.

16 COMMISSIONER AHEARNE: Jack, do you know how  
17 that fits with respect to the QA issue that the Board  
18 said that it would grant a motion to reopen?

19 MR. FORTUNA: This is regarding your  
20 subcontractor.

21 MR. THOMASSON: I missed your question, I am  
22 sorry.

23 COMMISSIONER AHEARNE: In your paper you  
24 mentioned that the allegation that the Board denied  
25 involved QA and then said if there were substantive



1 issues developed in the investigation they would reopen  
2 it. Was that focused on a specific aspect of QA?

3 MR. THOMASSON: Yes, electrosystem QA and  
4 resulting construction of electrical componets.

5 COMMISSIONER AHEARNE: It was strictly on the  
6 electrical?

7 MR. THOMASSON: At that point, yes, sir.

8 CHAIRMAN PALLADINO: All electrical components  
9 or just the termination?

10 MR. THOMASSON: Construction related to the  
11 electrical system as a QA problem and resulting  
12 construction defects because of the QA.

13 MR. ZERBE: It could have been this case.

14 CHAIRMAN PALLADINO: Well, if it wasn't that  
15 case, then I didn't hear anything about the deficiencies  
16 on which the Board is expecting results of an  
17 investigation.

18 MR. THOMASSON: Let me walk briefly through a  
19 little history on this. At the end of March the  
20 intervenor notified by telephone in a joint conversation  
21 call with the parties and the Board that she had a new  
22 allegation she wanted to raise relative to the hearing  
23 which was scheduled to start, as I recall, the 27th of  
24 April, 1982.

25 Subsequently in May the intervenor finally

1 filed her formal allegation and contention. She refused  
2 to present the allegor, which was her contact who, by  
3 the way, had contacted the press also because for fear  
4 for retaliatory action on the allegor.

5 This had been referred to the NRC regional  
6 field office. There is some confusion there. They  
7 talked about one in Las Vegas. But anyway, it showed  
8 some of the confusion of the allegors and intervenors.  
9 Then it was referred to investigation. The Board did  
10 not take up this issue until the last day of the hearing  
11 during which the intervenor raised the question about  
12 addressing the issue.

13 The Board ruled that they were closing the  
14 record and would lenient in considering reopening the  
15 record after the results, as they termed it, of the  
16 investigation on the allegation was completed which they  
17 expected in the late summer. That is the history of the  
18 thing. It was an electrical worker that had been  
19 employed by Bechtel.

20 COMMISSIONER AHEARNE: That is also the  
21 subject of the letter that the Chairman got from the  
22 company?

23 MR. THOMASSON: Yes, sir, and the subject of a  
24 letter that Lynn Bernebei sent to the Chairman following  
25 the company's letter. I think the dates were May 11th

1 and 24th or something like that.

2 COMMISSIONER AHEARNE: And EDO responded and  
3 said that it is being referred to the regional office.  
4 Then I gathered what happened was that a portion of that  
5 is split off to become your termination ---

6 MR. FORTUNA: I have that list, if you are  
7 interested. This particular issue generated a set of  
8 allegations and I have them listed out here in front of  
9 me. They are fairly wideranging, splicing of cables,  
10 use of improper insulation on high-voltage  
11 terminations. I am speaking to the inspection issues,  
12 but I got them down in case you had an interest when I  
13 was here today. QC inspectors not properly trained, and  
14 so on. The OI fallout of that individual's 17 or 18  
15 allegations is the termination cards issue.

16 COMMISSIONER ASSELSTINE: But the others are  
17 still under investigation or inspection by the region,  
18 the technical merits of it.

19 MR. FORTUNA: Yes, sir.

20 COMMISSIONER ASSELSTINE: And that has been  
21 closed down.

22 MR. FORTUNA: That hasn't been issued.

1 Appeal Board had granted the decision.

2 CHAIRMAN PALLADINO: I guess I am unclear on  
3 several things.

4 One, it would be nice to get a listing of the  
5 OI investigations that are in progress on this case.

6 MR. FORTUNA: They would be available, I don't  
7 know if in enough detail for your interest, in that  
8 monthly status that we provide.

9 CHAIRMAN PALLADINO: Well, maybe I just need  
10 to have my attention directed to the right monthly  
11 status report.

12 COMMISSIONER AHEARNE: Although sometimes it  
13 is a little hard to read the monthly status and conclude  
14 what is really happening.

15 COMMISSIONER ASSELSTINE: That is right, yes.  
16 They have been pretty summary descriptions on some of  
17 these.

18 CHAIRMAN PALLADINO: I gather OI cases have  
19 discrete numbers and titles.

20 MR. FORTUNA: Yes, sir, they do.

21 CHAIRMAN PALLADINO: I just would like to have  
22 a list of the discrete numbers and titles of those  
23 investigations being performed by OI on Palo Verde.

24 MR. FORTUNA: That would be available in the  
25 monthly status, the numbers in the thing.

1 CHAIRMAN FALLADINO: Well, could I have it?

2 MR. FORTUNA: Oh, you certainly can have it.

3 Excuse me, yes, sir.

4 CHAIRMAN PALLADINO: I would like to get it in  
5 a separate listing or have my attention directed to some  
6 concise list that relates to Palo Verde. Then I think  
7 we ought to alert the staff, unless the Commission feels  
8 otherwise, for them to identify what items they have  
9 under investigation for this case, and I would like not  
10 to wait until full power operation.

11 COMMISSIONER AHEARNE: I guess I would like to  
12 know that. So far I don't have a real sense of how many  
13 problems they are looking at and how real are those  
14 problems and I would like to get a better understanding.

15 CHAIRMAN PALLADINO: Well, maybe we can send a  
16 staff requirements memo to highlight for us those items  
17 they have under inspection.

18 COMMISSIONER ASSELSTINE: Yes.

19 COMMISSIONER AHEARNE: I think it would have  
20 to be an investigation by the regional office.

21 COMMISSIONER ASSELSTINE: I think that is  
22 really what it is. I recognize Roger's sensitivity on  
23 the term "inspection" and "investigation."

24 CHAIRMAN PALLADINO: They all involve regional  
25 people.

1 MR. FORTUNA: I understand that you think it  
2 was one agency.

3 COMMISSIONER AHEARNE: Well, no, and also they  
4 are investigating something.

5 COMMISSIONER ASSELSTINE: That is right.

6 COMMISSIONER AHEARNE: Their inspectors were  
7 investigating instead of investigators were  
8 investigating.

9 CHAIRMAN PALLADINO: Well, maybe it is not  
10 technical investigation. Inspections slant technical  
11 investigations. It certainly is not clear to me where  
12 we stand on those matters with regard to Palo Verde.

13 MR. FORTUNA: So I will take home with me so I  
14 understand, the requirement is to provide members of the  
15 Commission with those cases that are under investigation  
16 both technically and ---

17 CHAIRMAN PALLADINO: From OI we want the OI  
18 list and from the staff we want the  
19 inspection/investigation.

20 COMMISSIONER AHEARNE: I think Sam will take  
21 care of writing something to the regional offices.

22 CHAIRMAN PALLADINO: You just get us the  
23 discrete list of OI investigations related to Palo Verde.

24 MR. FORTUNA: All right.

25 CHAIRMAN PALLADINO: Any other questions on

1 allegations?

3                   COMMISSIONER ASSELSTINE: Is there any chance  
4 do you think that we could get the staff in say before  
5 the 28th to hear about the technical investigations?

6                   CHAIRMAN PALLADINO: We will have to look at  
7 the schedule.

8                   COMMISSIONER AHEARNE: I don't think it really  
9 is critical because they are a long way from fuel  
10 loading.