

**ORIGINAL**

**UNITED STATES OF AMERICA  
NUCLEAR REGULATORY COMMISSION**

In the matter of:

DUKE POWER COMPANY, et al

(Catawba Nuclear Station,  
Units 1 & 2)

Docket No. 50-413 OL

50-414 OL

ASLBP No. 81-461-01 OL

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(202) 293-3950

8310310358 831025  
PDR ADOCK 05000413  
T PDR

UNITED STATES OF AMERICA  
NUCLEAR REGULATORY COMMISSION

BEFORE THE ATOMIC SAFETY AND LICENSING BOARD

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In the Matter of:

DUKE POWER COMPANY, ET AL.

(Catawba Nuclear Station,

Units 1 and 2)  
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) Docket Nos. 50-413 OL  
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) ASLBP No. 81-461-01-OL  
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U. S. District Court  
Old Post Office Building  
Second Floor  
Caldwell & Main Streets  
Rock Hill, South Carolina

Tuesday, October 25, 1983

The hearing in the above-entitled matter reconvened,  
pursuant to recess, at 9:40 a.m.

BEFORE:

JAMES L. KELLEY, ESO., Chairman  
Atomic Safety and Licensing Board  
U. S. Nuclear Regulatory Commission  
Washington, D. C. 20555

RICHARD F. FOSTER, Member  
Atomic Safety Licensing Board  
U.S. Nuclear Regulatory Commission  
Washington, D. C. 20555

PAUL W. PURDOM, Member  
Atomic Safety and Licensing Board  
U. S. Nuclear Regulatory Commission  
Washington, D. C. 20555



1     APPEARANCES:

2     On Behalf of the Applicant:

3     J. MICHAEL MC GARRY, ESQ.  
4     ANNE W. COTTINGHAM, ESQ.  
5     Debevoise & Lieberman  
6     1200 17th Street, N.W.  
7     Washington, D.C.

8     -and-

9     ALBERT V. CARR, ESQ.  
10    RONALD L. GIBSON, ESQ.  
11    Duke Power Company  
12    422 South Church Street  
13    Charlotte, North Carolina 28242

14    On Behalf of the Regulatory Staff:

15    GEORGE E. JOHNSON, ESQ.  
16    Office of the Executive Legal Director  
17    Nuclear Regulatory Commission  
18    Washington, D.C. 20555

19    -and-

20    BRADLEY JONES, ESQ.  
21    Regional Counsel, Region II  
22    U.S. Nuclear Regulatory Commission  
23    Washington, D.C. 20555

24    On Behalf of the Intervenors:

25    ROBERT GUILD, ESQ.  
26    MICHAEL LOWE, Director  
27    Palmetto Alliance  
28    P.O. Box 12097  
29    Charleston, South Carolina 29412

30    On Behalf of the State of South Carolina:

31    RICHARD P. WILSON, ESQ.  
32    Assistant Attorney General  
33    P.O. Box 11549  
34    Columbia, South Carolina 29211

P R O C E E D I N G S

JUDGE KELLEY: Good morning, ladies and gentlemen.

The Board has two or three-- I think quick things to do before -- we are getting a late start, and we would like to get into the cross-examination pretty quickly, but we have two or three things to go over. We would like to welcome first our visitor this morning, the executive legal director of the NRC, Jack Cunningham, who is here with George Johnson and our old colleague from some years back. We are happy to have him here. We would assume that the parties would be interested in the response to the notice that was posted a week or two last at the site by people coming forward with OA information if they wished on a confidential basis, and the deadline for that was last Friday. That was stated in the notice, so that day has come and gone. Three people have responded to the notice, so that just gives you an idea of the extent of response and for obvious reasons we won't go beyond that at this point except to note a couple of procedural things.

As a way to move forward, we do want to now set about thinking about procedures and technical order and move forward properly to talk about these people and work out a way of their participating in the case. I did bring along -- it seemed to me that preparing protective orders and associated affidavits of nondisclosure, that we didn't have to

1 reinvent the wheel. It has been done before. I have with  
2 me -- and I will hand out later -- copies of protective  
3 orders and affidavits that were organized for Byron  
4 fairly recently. Judge Smith worked that out and gave me  
5 a copy of it. It seemed to me that kind of thing might be  
6 the most useful springboard, and we are not in handing it  
7 out -- what we are handing out is a way to get to a way to  
8 agree on an order and affidavit. We do not put it forward  
9 as this Board's proposal. We put it forward as an existing  
10 document that will help us all get to where we want to go.  
11 There are a couple features in there that we think we could  
12 probably change, but in any event this seems most expeditious  
13 to go this way, so I will give that to you a little later.  
14 Beyond that we have given a little thought to how we ought  
15 to proceed in terms of contacts and initial meetings.  
16 We have proposed to state on the record tomorrow what our  
17 tentative procedures would be with the thought then that  
18 the parties can read them and think it over and come back  
19 with comments the latter part of the week. We get our  
20 proposals through you tomorrow morning and then by Thursday  
21 we could spend the time hearing comment and then I will see  
22 that Palmetto has a copy from the pertinent parts of the  
23 transcript, and then the Board on Friday morning or at the  
24 latest the following Wednesday morning could announce how  
25 we would handle things, and that would put us into a position

1 to get back to the people whose names we have and get  
2 the ball rolling so to speak, but we see no point in going  
3 back to them until we know what we are going to do and  
4 we want to work that out with you, so that is what we  
5 have in mind in that regard.

6 There were two matters left open at the end  
7 of last week. One concerns what came to be called the  
8 stickman papers, and, Mr. Guild, I believe you were going  
9 to take a look in your file over the weekend and see if  
10 you had anything further that you wanted to add in  
11 connection with your quest for those papers. Do you have  
12 anything to add?

13 MR. GUILD: Just briefly, Mr. Chairman. I checked  
14 and, of course, saw the communication that counsel for  
15 applicants read for the record, and I guess the short and  
16 long of it is that in the press of business at the time  
17 I frankly didn't remember what a stick -- what the stickman  
18 was or what the reference was all about.

19 I think probably the most charitable description  
20 is that it was inadvertent not to follow up on it, but I  
21 didn't at the time -- just didn't understand it at the time  
22 to reflect hardward issues or technical disputes, if you  
23 will, that had been brought up through supervision. That's  
24 about as far as I got with having confirmed that that  
25 communication did come from applicants and sort of scratching

1 my head about why I didn't follow up on it at the time,  
2 and I guess I would only state that I don't know what  
3 the -- the universe of documents are that were produced  
4 by that process, but in light of the -- the witness'  
5 testimony about it, it certainly seems pertinent and --  
6 and I am only saying that I -- it wasn't a conscious  
7 decision not to press it. So I would ask that -- it was  
8 inadvertent, so I ask that we try to pursue the matter in  
9 some fashion to determine at least what the substance of  
10 those matters are. I hate to leave technical issues out  
11 there that should be brought forwardly solely because I  
12 failed to ask the right question at the right time, and  
13 I -- when presented with that -- with that notice from  
14 counsel, so there we are and I guess I would ask if perhaps  
15 counsel for applicants and I could just discuss some off  
16 the record the -- the substance of what those recourse  
17 matters are, the technical concerns are, I would desire to  
18 pursue the matter.

1 JUDGE KELLEY: Well, I think we do want to tie  
2 this matter up pretty quickly and we either want to grant  
3 your request, if you could pursue discussions with  
4 Mr. McGarry sometime today, if you wish.

5 Then, we will consider your comments as  
6 just now, and we will be in a position to make a ruling  
7 tomorrow morning one way or the other.

8 If you have some intervening compromise  
9 solution, then that will take care of it, too.

10 MR. MC GARRY: Your Honor, so the Applicant's  
11 position is known, we have discussed this during the  
12 interim period. We don't think there is anything to  
13 discuss. We don't mean to be hard-headed or stubborn.  
14 We don't think there will be any results from the  
15 discussions.

16 JUDGE KELLEY: I understand this. It doesn't  
17 produce anything in the brief. Okay.

18 The final thing before we move on, at least,  
19 we directed the Applicant to produce late last week the  
20 response to a request of Palmetto, a copy of a  
21 personal performance plan and worksheet in this case. It  
22 concerns Mr. Davison, a progress review date of 1-10-83,  
23 I believe, to 1-10 -- or 1-30. It is a little unclear.

24 But in any event, I think the review period  
25 is 10-1-82 to 1-1-83.

1           We ruled by a divided vote that we  
2 would review this document in camera, and particularly  
3 with reference to the possibility of its including personal  
4 information of the kind that really doesn't bear on the case,  
5 and ought not to be disclosed.

6           We have done that, and we have determined  
7 that it doesn't contain personal information of that nature.

8           Our view of the case is that parts of it  
9 may be relevant. We are not making a judgment about that.

10          But having personal information, sensitive  
11 information, and seeing possible relevance, we are going to  
12 direct that a copy of the document be turned over to  
13 Mr. Guild.

14          To be more specific, it is three pages, captioned  
15 "Personal Performance Plan Worksheet," and included with  
16 it, not attached, but I gather it is a part of it, is a  
17 single sheet of paper with some handwritten entries  
18 numbered 1 through 4 at the top, and then four more towards  
19 the middle of the page. The top one reads "Chance in  
20 Jobs Plus New Organization," just by way of identification.

21          Beyond that, we want to add that we received  
22 having no precedent based on the particular circumstances  
23 of where we are in this case, and Mr. Davison's  
24 involvement in the case. We don't see it in any sense as a  
25 precedent that means that lots of similar performance



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1 sheets are necessarily going to be turned over.

2 There is, for one thing, a pretty high potential  
3 of taking this off into collateral points that  
4 we want to avoid, but we have decided to direct that  
5 this particular one be turned over.

6 That, I believe, is all we have prior to the  
7 comments of Palmetto's cross-examination.

8 Does counsel have anything else?

9 MR. GIBSON: With respect to the PPPW, the  
10 copies that the Board members have are the only ones that  
11 we have in Rock Hill. If we could get one of your  
12 copies, or have copies made during lunch.

13 JUDGE KELLY: Fine.

14 MR. GIBSON: For Palmetto.

15 Also, the Board members requested copies of  
16 a graph that Mr. Grier referred to with respect to  
17 the NCIS. We have copies of that graph to be distributed.

18 I guess we should make it an exhibit, and  
19 offer it in evidence, whatever the next exhibit number  
20 would be.

21 We would ask that it be marked as Applicant's  
22 No. 22, and admitted.

23 JUDGE KELLEY: It is marked and admitted.

24 (The document referred to was marked Applicant's  
25 Exhibit No. 22 and was received in evidence.)



1 MR. GIBSON: We also have for distribution,  
2 I suggest that we distribute it at the next stretch break,  
3 copies of the Panel 6 testimony. That will be  
4 Mr. Rogers, and Mr. Beam, who will follow on this. Rather  
5 than continue now, I will just distribute all those  
6 items at the first stretch break.

7 JUDGE KELLEY: Fine.  
8 Is there anything else?  
9 Mr. Johnson?

10 MR. JOHNSON: There was a meeting of counsel  
11 on Friday afternoon on emergency planning, discovery,  
12 and on scheduling the DES-17 contention. It is probably  
13 not necessary to discuss what transpired on emergency  
14 planning. It probably should be brought to your attention  
15 that we were not able to reach agreement about a schedule  
16 for contention DES-17.

17 So that we made need to make proposals and  
18 have the Board rule as to the designation of witnesses and  
19 and the schedule for prefiled testimony.

20 JUDGE KELLEY: Well, now, let's go on to  
21 cross, here, now, but bear in mind that sometime in the  
22 next day or two, we should hear from people on that.  
23 Then we can decide what to do.

24 MR. JOHNSON: Fine.

25 JUDGE KELLEY: Mr. Guild, are you ready to

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1 begin?

2 MR. GUILD: Just two other matters with  
3 respect to scheduling.

4 We have had discussions with Applicants  
5 about the order of the welding inspectors, welding  
6 inspector supervisors.

7 JUDGE KELLEY: Yes.

8 MR. GUILD: I think we are very close  
9 into agreement about a specified order. I think we  
10 certainly are in agreement in concept. There are a  
11 few names we may want to shift around. But I anticipate  
12 that subject to some specific conflicts that individual  
13 welding inspectors have that I think we can reach a  
14 scheduling agreement about the order to take them up  
15 in a sort of related matter.

16 JUDGE KELLEY: Does the order include some  
17 differentiation between those with, presumably, more to  
18 say than others?

19 MR. GUILD: Yes, I think that is implicit  
20 in the idea that we would put up front some of the  
21 people we anticipate concentrating more time on.

22 JUDGE KELLEY: Right.

23 MR. GUILD: And with the idea of minimizing  
24 repetition examination, and perhaps eliminating people  
25 although I think it is a formal matter. We ought to at least

1 have everybody available.

2 The second matter was this: I have some  
3 pressing professional obligations that have arisen in  
4 the last week in terms of some pressing deadlines  
5 that require some office time on my part.

6 They are matters that I can't get deferrals  
7 on because of jurisdictional character.

8 I think that it may be that meeting those  
9 obligations may be consistent easily with where we  
10 stand in this examination. What I said to the Applicants'  
11 counsel this morning was, I anticipate being able to  
12 complete the next two panels earlier than we have  
13 scheduled.

14 I am working towards that. I guess I sort  
15 of wanted us to get a feeling from the parties and  
16 from the Board a sort of a modification technique, for  
17 Palmetto's counsel, if the Board would reward, accelerate  
18 the progress with the idea of giving me a day off  
19 when I could do some other things, as sort of a management  
20 by objective, I guess.

21 JUDGE KELLEY: Again, you don't have at  
22 this point a back-up lawyer?

23 MR. GUILD: No, sir, I don't.

24 JUDGE KELLEY: Fine.

25 MR. GUILD: I think we anticipated going into

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1 next week with at least a recross, and other redirect  
2 examination, et cetera, of Applicants' redirect examination,  
3 the Board questions, and recross of Messrs. Dick Beam  
4 and Rogers.

5 JUDGE KELLEY: Yes.

6 MR. GUILD: The next panel, I think it is  
7 quite likely we won't need to go into next week with  
8 that. We should be able to finish both of these panels  
9 by the end of next week, with these, if that is  
10 possible.

11 I think we might be able to reach some kind  
12 of agreement, have a shorter week next week, give us  
13 an extra working day to meet some other obligations.

1 JUDGE KELLEY: I might just observe -- the Board  
2 kind of decided we would like the two days per panel and  
3 not try to weigh and shave it but -- have the various  
4 panels, the one you just mentioned, the one after this,  
5 they were added. Their direct testimony is very brief, but  
6 we thought why even borrow against it, but I am inclined  
7 to agree that we won't have much cross-examination from  
8 here either.

9 If you had your druthers, what would you do?

10 MR. GUILD: Well, I guess if I had my druthers,  
11 what I would prefer to do is shave Friday off this week and  
12 either finish before Friday or -- or anticipate that what  
13 would have been Friday would be -- would be the -- I guess  
14 is Tuesday of next week -- Wednesday of next week -- and  
15 that's because I have a -- I have a professional obligation  
16 that I calculate as being Monday of next. It would help  
17 some if I had -- if I had Wednesday of next week but  
18 not nearly as much as if I could have some time this week  
19 where I can be back and doing some work.

20 I am trying to be informal about this, but to  
21 the extent we get closer, I am prepared to make a showing,  
22 citing chapter and verse of what my other obligation is,  
23 and let you know what the tribunal is.

24 JUDGE KELLEY: I think you might as well leave  
25 it informal. We will try to see where people are.

1 Well, let's go ahead and talk about it at least  
2 preliminarily at this point. One thing that occurs to me  
3 that is possibly relevant. I mentioned off the record  
4 before we got started that there are questions about the  
5 availability of this courtroom sometime next week. I'm  
6 not just sure when, and if there were a problem with this --  
7 it seems to me just me -- not the whole Board -- speak up.  
8 I think -- but it isn't worth coming down here for two days  
9 really. That is cutting it awful thin. It might even be  
10 if you have courtroom problems -- with scrubbing the week,  
11 but anyway that is one thing that occurs. Do you have  
12 a brief due, Mr. Guild?

13 MR. GUILD: I've got a filing in the state  
14 Supreme Court required on Monday, and it just arose. I  
15 couldn't plan for it.

16 JUDGE KELLEY: Do you think you could get three  
17 or four days to file it? Could you file it on Friday?

18 MR. GUILD: No, sir. It's a jurisdictional  
19 obligation, and it's not a filing that I can get an  
20 extension for.

21 JUDGE KELLEY: Like sixty days?

22 MR. GUILD: By ten days.

23 JUDGE KELLEY: Ten. Well, Mr. McGarry, I don't  
24 know. We don't need a full-blown discussion of it,  
25 but where do we come from?

1 MR. MC GARRY: Conceptually we appreciate  
2 Mr. Guild's predicament. We think it's a valid reason.  
3 What our concern is, that first of all we don't want to  
4 scrap all next week, and second of all, we have told him  
5 while we are moving well now, our desire is to finish  
6 this phase of the case in 1983, and this phase of the  
7 case is 6,16,44 and 17, and I think if we are going to get  
8 squeezed towards the end -- but maybe we could take off  
9 this Friday if that would be an accommodation to Mr. Guild  
10 with a view of trying to make up some of that time as we  
11 go along the rest of it. Maybe start earlier a couple of  
12 days -- a couple of hours or go a little bit later.

13 If we took Friday off, Mr. Guild, could we start  
14 on Tuesday instead of Wednesday?

15 MR. GUILD: It would be preferable for my  
16 purposes to have Friday as opposed to the Tuesday.

17 JUDGE KELLEY: Mr. Johnson?

18 MR. JOHNSON: On that specific point, I have  
19 committed to my little five-year-old son whose birthday --  
20 to appear at his school Tuesday, so I would regret to have  
21 to change the schedule to appear here on Tuesday. However,  
22 conceptually, if we could make up the time, I would have no  
23 problem. I would not want to lose a day -- simply because  
24 we are doing well. We are already well into November and  
25 possibly December on this one issue, and I think anytime we

1 can make up is going to --

2 JUDGE KELLEY: Maybe trade Friday for Tuesday  
3 and nobody likes it too much, but nobody is real unhappy  
4 with it. Well, why don't we talk about it some more.  
5 Obviously we wanted to decide that as soon as possible.  
6 Maybe today, no later than tomorrow, so people can  
7 make plans, I would like to find out what this courtroom  
8 story is. That doesn't have to be all-determining. I  
9 suppose if we get ejected from here just for a day, I  
10 suppose we could go to the Holiday Inn. I am sure they  
11 would be happy to oblige us.

12 With that, can we get into cross? Mr. Guild?

13 MR. GUILLE: Yes, sir.

14 For the Board's and parties refreshment,  
15 this is Panel 5 and applicants describes the subject of  
16 you gentlemen's testimony as that QA program at the site  
17 including response to the concerns and implemenation of  
18 task force recommendations.

19 Whereupon,

20 Larry Davison

21 Robert A. Morgan

22 Arthur A. Allum

23 Charles R. Baldwin

24 Joe C. Shropshire

25 resumed the stand, and having been previously duly sworn,



1 were examined and testified further as follows:

2 CROSS-EXAMINATION

3 BY MR. GUILD:

4 Q Now, Mr. Allum, you, sir, are a second level  
5 supervisor Quality Control inspection function at Catawba  
6 presently?

7 A (MR. ALLUM) Yes, sir.

8 Q And by title what is your specific title now?

9 A Technical supervisor, mechanical.

10 Q Technical supervisor, mechanical. You presently  
11 supervise Quality Control inspectors in the mechanical  
12 area; is that right?

13 A Yes, sir.

14 Q Now, reporting to you are first level  
15 inspectors who are called supervising technicians; is that  
16 right?

17 A Yes, sir.

18 Q So Level 1 technicians and Level 2 is technical  
19 supervisors?

20 A That's correct.

21 Q Now, mechanical inspection is not a subject  
22 matter that's presently at issue in this proceeding. We've  
23 been talking about the welding area, and I understand that  
24 you have had past responsibilities for supervising the  
25 Quality Control function in that area, haven't you?

1           A       That's correct.

2           Q       All right. You've also had past responsibilities  
3 for supervising the Quality Control function in a related  
4 area that of nondestructive examination; isn't that  
5 right?

6           A       That's correct.

7           Q       Help us understand, if you can, Mr. Allum,  
8 the relationship between what we commonly referred to as  
9 welding inspection -- and I understand that to be the  
10 visual inspection of welds -- and NDE/RT, nondestructive  
11 examination, radiography.

12          A       The visual inspection is in most cases an  
13 in-process examination. The NDE is normally a final  
14 inspection.

15          Q       Is it a fair characterization that the visual  
16 inspection of weld by what are called welding inspectors  
17 happens in close relationship with the craft who is  
18 actually performing the welding work?

19          A       Yes, sir.

20          Q       Okay. And, for example, might a visual inspector --  
21 a welding inspector, inspect to the set up of let's say some  
22 safety related type prior to the performance of the weld?

23          A       That's correct.

24          Q       Okay. And he would inspect or he, she, would  
25 inspect the full performance of the welding work, perhaps even

1 observing it in process?

2 A Not normally. No.

3 Q All right. Well, would it be fair to say that  
4 the visual welding inspector would be in close proximity  
5 the welder who is actually performing the welding work?

6 A Not normally. No, sir.

7 Q Let me understand then how -- how the welding  
8 inspector in process, if you will, looks at the work --  
9 the actual welding work. Would the welding inspector look  
10 at the weld shortly after it was completed?

11 A He would look at the weld whenever he is called  
12 when it's ready for inspection.

13 Q Whenever he is called and it's ready for  
14 inspection?

15 A Yes, sir.

16 Q Who calls him and who decides when it is ready  
17 for inspection?

18 A The craftsmen, whether it be the welder or  
19 fitter.

20 Q Okay. The craftsmen -- take the example of a  
21 weld -- not the set up by the weld itself. The welder  
22 completes the weld let's say on a piece of pipe and  
23 does he -- the welder decide whether or not he believes  
24 the work is ready for inspection?

25 A Yes, sir.

1 Q Okay. And what does he do when he makes that  
2 decision?

3 A He calls one of the welding inspectors for a  
4 final visual inspection.

5 Q And just mechanically how does he go about  
6 doing that, Mr. Allum?

7 A He goes to the inspection station and signs  
8 up on a sheet and telling where he is at and what he  
9 wants inspected.

10 Q So he leaves -- he leaves the actual place of  
11 the work, the pipe, if you will, goes to -- is it a QC  
12 shack or something where the sign up is?

13 A There are different locations throughout the  
14 job where you can sign up.

15 Q Is that what it's called?

16 A Yes. Sign up, the map shack, inspectors station.

17 Q And he puts his name and the location of the  
18 weld on a piece of paper?

19 A Right.

20 Q Is that the way it's always been done at  
21 Catawba?

22 A As far as I know it is.

23 Q Okay. Using some kind of a piece of paper to let  
24 the QC people know that he is ready for a final visual,  
25 right?

1 A As far as I know.

2 Q Okay. Now, what happens if -- if the visual  
3 inspector -- the welding inspector determines that the  
4 weld is -- is deficient, that there is a rejectable  
5 condition?

6 A You have to be more specific than that.

7 Q Well, what am I leaving out? I don't understand  
8 what I'm leaving out.

9 A How is it rejectable? How is it rejectable?

10 Q Let's say with respect to workmanship. Let's  
11 say there is something bad about the weld as far as  
12 workmanship.

13 A It's not pretty?

14 Q What?

15 A It's not pretty?

16 Q I am not concerned about so much it being  
17 pretty. I am concerned about whether it's done right,  
18 whether it's according to procedure, whether or not it  
19 meets the specifications that have been set out by the  
20 design drawing, whether or not it's consistent with the  
21 construction procedure. I am not concerned about whether  
22 it's pretty or not, Mr. Allum, so let's focus on the  
23 matters that are substantive. It flunked. It's a bad  
24 weld. All right. What -- what does the -- what does the  
25 welding inspector do at the point where he finds that it's

1 a rejectable piece of work?

2 A If it's readily correctible, he can have the  
3 craftsman fix it at that time.

4 Q Okay. That's the point I want to focus on now.  
5 The craft has been told that there is something that can  
6 be fairly easily corrected and you give me an example of  
7 something -- I don't want to know about pretty. I want  
8 to know about something that is -- that is significant.  
9 What kind of a condition is significant in terms of  
10 rejectable condition but that is readily correctible?

11 A It could be a service condition. The finish  
12 of it not suitable for subsequent NDE.

13 Q How would that be?

14 A How would it be handled?

15 Q No. Is it too rough?

16 A Yes. Too rough.

17 Q Okay. How about lack of fusion?

18 A You wouldn't normally see that on a visual  
19 inspection.

20 Q Does one see it though? There are a number of  
21 cases?

22 A No. No.

23 Q What?

24 A No.

25 Q Welding inspectors never find lack of fusion?

1           A       In a very -- it would be a very rare situation,  
2 where they would be able to see it.

3           Q       Well, they do, don't they?

4           A       Not normally. No.

5           Q       Well, they do, don't they?

6           A       It has been found, but it's rare.

7           Q       So you would -- you would doubt the validity  
8 of an inspection by a visual welding inspector where he  
9 or she concluded there was lack of fusion?

10          A       No. It would be evaluated.

11          Q       What?

12          A       It would be evaluated.

13          Q       But you just told me they couldn't find it.

14          A       I said it's rarely found.

15          Q       All right. Well, let's say it is found and you  
16 agree that there are instances where lack of fusion is  
17 determined on the basis of visual inspection.

18          A       Yes.

19          Q       A valid lack of fusion?

20          A       Yes.

21          Q       Let's assume that we have one of those instances.  
22 Would that be kind of the situation that would be readily  
23 correctible by the craft?

24          A       Yes, sir. It could be reasonably correctible.

25          Q       By adding further weld material?

1           A       Removing the lack of fusion and -- putting in  
2 new weld.

3           Q       All right. Let's take that situation then,  
4 and would the craft as the -- if the craft has determined  
5 that the weld is ready for final visual, the craft goes  
6 to the map shack and signs up for the final visual,  
7 welding inspector comes over and looks at it and says no,  
8 lack of fusion. What happens then, Mr. Allum, in the  
9 instance where we have agreed that hypothetically it's  
10 readily correctible by the craft?

11          A       He fixes it.

12          Q       Who?

13          A       The craftsman fixes it.

14          Q       And what does the welding inspector do while  
15 the craftsman is fixing it?

16          A       He waits to be called again to reinspect it.

17          Q       All right. Is he -- is he allowed to observe  
18 the rework?

19          A       He could. Yes, sir.

20          Q       Is that uncommon for him to do that?

21          A       I would say it is, yes, sir.

22          Q       But it's not inconsistent with procedure, is it?

23          A       No.

24          Q       Okay. So the welding inspector might stand there  
25 and observe the rework and then if the rework meets the -- if



1 it properly solves the rejectable condition, he would then  
2 accept the work?

3 A Yes, sir.

4 Q And he would typically use the weld traveler --  
5 the process control document, the M-4A, as a means for  
6 documenting his inspection?

7 A Yes, sir. Yes, sir.

8 Q And the M-4A form would provide a basis -- at  
9 least a current revision of the M-4A form would provide a  
10 basis for the welding inspector on final visual to make an  
11 initial rejection and require the rework?

12 A Yes, sir.

13 Q And the document's initial rejection?

14 A Yes, sir.

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j-4-1

1 Q And then to document his final acceptance?

2 A Yes, sir.

3 Q Would the M-4A provide a means for the welding  
4 inspector to document the basis for his initial rejection?

5 A Yes.

6 Q Would he be able to indicate on the form a  
7 lack of fusion?

8 A There is not a specific block for lack of  
9 fusion, though he could indicate it.

10 Q In the margin or something?

11 A Yes.

12 Q Pardon?

13 A Yes.

14 Q What is he supposed to do in terms of  
15 indicating the basis for the initial rejection?

16 A I don't understand your question.

17 Q Does the QA procedure call for an indication  
18 of the basis for the initial rejection? A lack of fusion,  
19 for example, as a reason?

20 A No.

21 Q It just calls for checking a block which  
22 says "Rejection"?

23 A Right.

24 Q Then, ultimately checking a box, it says,  
25 "Accept"?

j-4a-2

1 A Right.

2 Q Of the rework?

3 A Right.

4 Q Now, for safety-related welds, or for welds  
5 on safety-related pipe, we would be using the M-4  
6 procedure for visual inspection, wouldn't we?

7 A Yes, sir.

8 Q Now, I am just trying to get a general  
9 idea, Mr. Allum, but how many different inspection hold  
10 points are there for the visual inspection of code piping  
11 under the M-4 procedure?

12 A It depends on what is selected, and at the  
13 time the process control was generated.

14 Q It depends on a specific piece of work?

15 A Yes, sir. What is designated at the time  
16 of generation.

17 Q It depends on the construction procedure  
18 for that particular piece of work?

19 A No.

20 Q Where would the number of hold points in the  
21 specification of the hold points be designated for that  
22 piece of work?

23 A On the M-4A itself.

24 Q The M-4A is a universally needed document for  
25 code piping, isn't it?

j-4a-3

1 A Universally? In Duke Power, yes.

2 Q That is what I mean.

3 But some of the hold points are used some  
4 of the time, and some of the hold points are used other  
5 times, and all of the hold points are used at other  
6 times, depending on the specific piece of work?

7 A Yes, sir.

8 Q When would you use only some of the hold points?  
9 Just give me a general idea of when all the hold points  
10 would be used as contrasted with only some.

11 A I think it would depend. In most cases, we  
12 select some of the hold points, not all of them.

13 Q Why is that?

14 A We don't have a need to check each individual  
15 hold point unless it is a code requirement.

16 Q Is there an independent authority, a code  
17 specification, that designated which hold points are  
18 required for which kinds of work?

19 A (WITNESS SHROPSHIRE): May I answer?

20 Q Mr. Shropshire, yes.

21 A Yes. The input is a form that we use for  
22 several different classes of welds, and those classes of  
23 welds require different levels of NDE, and may also  
24 require a different level of inspection.

25 Q Visual inspection, now?

1           A       Visual inspection.

2                   And along with that, the visual inspection  
3 criteria is spelled out in the NLEA.

4                   Along with that inspection, we may require  
5 inspections for visual conditions, such as service  
6 preparation prior to preservice inspection, and that  
7 would be spelled out for the type of welds. It would  
8 be spelled out in accordance with our preservice  
9 inspection program.

10                  Not all M-4A's would have this.

11                Q       You gave me a lot of information, Mr. Shropshire.  
12 Let me slow down and see if I can go back and get a  
13 better handle on what you just told me.

14                  The M-4A procedure is used for different  
15 classes of work.

16                  Generally speaking, what are those classes?  
17 What do they relate to?

18                A       The M-4 would be used for what we call  
19 Class A, B, and C welding.

20                Q       What are Classes A, B, and C welding?

21                A       Class A, B, and C are determined by design.  
22 And that is a class that they establish basically based  
23 off of safety conditions and temperatures and pressures.

24                Q       Are they a graded set of classes, one being  
25 more critical to safety under more stress, pressure,

j-4b-3

1 temperature, and one class being less?

2 A Basically, you could characterize it as a  
3 graded class.

4 Q Help us understand how that grading works.  
5 What is the most safety-related or what is the most  
6 critical, if you would?

7 A The most safety-related would be the critical  
8 system, Class A.

9 Q The Class C is a lesser?

10 A Lesser, yes.

11 Q All are Class A, B, and C? All are still  
12 referred to as safety-related?

13 A Yes, they are.

14 Q What is the designation for nonsafety-related?

15 A Nonsafety-related, welding and piping used  
16 to be classified as Class G. It may be classified as H.

17 Q G or H?

18 A Correct.

19 Q Is more M-4 used for classing Class G or A?

20 A No, it is not.

21 Q Give me an idea, just so we can get a relevant  
22 comparison in layman's terms of what kind of a pipe  
23 would be a nonsafety. What kind of pipe requiring welds  
24 would be a G or an H?

25 A You could characterize some of the piping in

j-40-4

??

1 the turbine building, which is in a nonsafety-related  
2 area, as B, then, and G-H pipe.

3 A (WITNESS MORGAN): May I add something?

4 Q Sure.

5 A Drain pipe, a vent.

6 Q I guess what came to my mind is, tell me this.

7 If a water line going into the restroom, something of a  
8 water fountain, would that be a G or H?

9 A (WITNESS SHROPSHIRE): It depends on the location  
10 of the building, sir.

11 Q You have some safety-related water fountains,  
12 then?

13 A I think you could say that.

14 Q But you have some nonsafety-related piping  
15 in the turbine building?

16 A Yes, we do.

17 Q Sort of, there is an art to deciding what is  
18 and what isn't safety-related?

19 A I wouldn't characterize that as an art.

20 Q It is a design?

21 A It is a design; that is correct.

22 Q The design engineer makes the designation of  
23 what is classed H or G, or what is A, B, or C?

24 A That is correct, sir.

25 Q Now, is there a general way of understanding

j-4b-5

1 what Class A, B, and C is? Give us an example of what  
2 the Class A part might be. Do any of you gentlemen  
3 who you know can give us that?

4 A (WITNESS DAVISON): Maybe I can help.

5 Q Mr. Davison, sure.

6 A Generally, this wouldn't be detailed, but  
7 Class A would probably entail all of the piping in the  
8 reactor coolant system in the boundary, out to some  
9 boundary valve.

10 Class B might be safety systems, systems  
11 that form some safety function beyond that first boundary  
12 valve, maybe including the whole system, maybe only  
13 including some portion of that system.

14 Q Give me an example of what would be a B  
15 system, if you would, Mr. Davison.

16 A Generally speaking, some portion of the  
17 safety injection system might be Class B, the containment  
18 spray system might be Class B. Some portions that are  
19 in there.

20 Q All right.

21 A Then systems that support those safety systems  
22 or other systems associated with the reactor coolant  
23 plant system would be Class C, such as the cooling water  
24 to the heat exchangers, and that type of thing.

25 There are a total of five classes of pipe,



j-4c-2

1 A, B, C. And C, we are talking about. These can be  
2 termed safety-related.

3 We have a few classes of Class E and Class F,  
4 which are not strictly safety-related, but in some way  
5 associated with the nuclear aspect of the plant, and  
6 therefore, under the QA procedure.

7 Class E generally is radwaste, and Class F  
8 is a figure class that, because of where it runs in  
9 the building. Then Class G and H are those classes that  
10 have practically or absolutely nothing to do with the  
11 nuclear coordination of the plants, or safety aspect  
12 of the plant, and practically all the piping in the  
13 turbine building would be Class G and H.

14 Q How about steam lines running from the  
15 reactor to the turbine building?

16 A Steam lines would generally be higher class  
17 than G or H, but there are portions of those that are  
18 G and H, also.

19 Q Higher, B, A, or B or C?

20 A I don't believe they would be classed A.

21 They may have some portions Class B.  
22 There again, I would have to refer back to be sure.

23 Q Just to give a general understanding, I  
24 understand that maybe on some very precise technical  
25 points that we are missing here, but the other gentleman,

j-4c-3

1 on the one point, from the other gentleman on the last  
2 one point, the steam lines going from the reactor  
3 to the turbine building --

4 A (WITNESS SHROPSHIRE): The steam line basically  
5 is Class B. They could change where they enter the  
6 turbine building to a nonassembly class, which would  
7 be G or H.

8 Q Before they get to the turbine building,  
9 they are safety-related. They go into the turbine  
10 building. They become nonsafety-related?

11 A That's basically true.

12 Q Are any of you gentlemen familiar with the  
13 use or the general kind of colloquial description of  
14 piping systems as contaminated or not contaminated?  
15 Have you ever heard that characterization used on site  
16 by the craft or inspectors?

17 A (WITNESS DAVISON): I don't know that as a  
18 general characterization.

19 Q You have heard that before?

20 A Contaminated?

21 Q Yes.

22 A No, I have not heard that, that generalization.

23 Q Do any of the others know?

24 A (ALL WITNESSES): No, sir.

25 Q I will offer to you that I did. It was sort

j-4d-2

1 of in the context of -- let me ask you this.

2 If this strikes you unusual, or out of the  
3 ordinary, the welding inspector says, "Well, you know,  
4 I know that when you are talking about making sure  
5 that the crafts' noses are to the grindstone about  
6 doing a good job on the welds, we are really conscious  
7 about what is contaminated and noncontaminated in the  
8 sense of piping systems that I understood carry,  
9 you know, radioactive liquids." You know, say, the  
10 system, water, or, let's say, potentially, the contaminated  
11 secondary system for water, that you would make a special  
12 effort above and beyond the requirements of a QA  
13 procedure to do a good job of inspecting the contaminated  
14 systems.

15 Have you overheard that general description  
16 or understanding on the part of a welding inspector?

17 A (WITNESS DAVISON): No, I have not heard that.  
18 I don't think that would be a common impression.

19 Again, the class of piping system really  
20 dictates the QA procedure that applies to it. Therefore,  
21 the inspection is still in there.

22 Q Any of the others offer a comment on that?

23 A (WITNESS MORGAN): I never heard that term.

24 Q Now, Mr. Allum, back to you.

25 Where does NDE and RT come into the inspection

j-4d-3

1 process now? We have talked about the visual inspection,  
2 the final visual of a weld.

3 Where does NDE and NRT come in?

4 A (WITNESS ALLUM) After the final.

5 Q How does that work?

6 A The same process.

7 You call for an NDE inspection, which every  
8 type is specified, and the inspector comes out and  
9 does the inspection.

10 Q After the welding inspector does the final  
11 visual, there is a call for the NDE?

12 A Yes.

13 Q Who does that? Who requests the NDE?

14 A Currently, we have the watering inspector  
15 that does the NDE, the ND, or PT inspection.

16 They can do the NDE while they are on the  
17 completion of the final visual.

18 Q The same inspector does the final visual  
19 that also does the NDE?

20 A At times.

21 There is no requirement to do it that way  
22 or not to do it that way. It is just as it is convenient.

23 Q It sounds more convenient to get somebody  
24 else to do it?

25 Is that a reason for doing it that way?

j-4d-4

1 A That's a reason, yes.

2 Q Am I understanding correctly that the craft  
3 calls for the final visual, and the welding inspector  
4 comes over and looks at it and rejects it and calls for  
5 a rework, or frames it acceptable on the basis of his  
6 first look at it, and then typically, that same welding  
7 inspector would do the nondestructive examination of  
8 that weld?

9 A The chances of the same watering inspector  
10 doing the second final visual inspection are maybe  
11 one in six, depending on how many is in that crew in  
12 that area.

13 He may or may not do it.

14 Q I see. You are saying after they reject it  
15 once?

16 A Yes.

17 Q Now, let's lay that aside.

18 Now, I don't want to confuse the example anymore.  
19 Let's just say that the final visual is performed and  
20 it is acceptable.

21 A Yes, sir.

22 Q Then, is it typical for that inspector to  
23 also inspect the NDE on that weld?

24 A If it requires an MT or PT, yes, sir.

25 Q What kind of welds would require an MT or PT?

j-4d-5

1 A Our code welds.

2 Q Class A?

3 A A, Class B.

4 Q C?

5 A Yes.

6 A (WITNESS DAVISON): I can help you out.

7 Q Sure.

8 A The code that the piping classes are done to,  
9 A, B, C. The code that A, B, and C piping is constructed  
10 to is the ASME board and pressure vessel code, which  
11 specifies the welds depending on the class and the function.

12 Also, the other codes, the other classes,  
13 E and F, in particular, also would specify when the  
14 NDE is to be done on the welds constructed to that code.

15 So that is where the requirement comes from.  
16 Whether you do any NDE examination or not, and what  
17 type NDE.

18 Q Mr. Davison, if you can help, that is an  
19 ASME code after the final visual in this example, and  
20 going back to the beginning of construction at Catawba,  
21 or is that a change?

22 A The ASME code has been in effect for Class A,  
23 B and C since the construction of the Catawba. It is  
24 revised every three years, and has an addendum that comes  
25 out about every six months or so.

1 But that basic code has been in effect and has  
2 specified the NDE to be done depending on the class of  
3 system that the code references.

4 For example, I believe ASME code talks about  
5 Code Class 1. That is Duke Class A.

6 And the code specifies what nondestructive  
7 examination is to be done on the welds of class, Code  
8 Class 1.

9 Q I guess the point of my question is, Mr.  
10 Davison, and others, is, has it always been as it is  
11 now at Catawba, that NDE is performed after the final  
12 visual, as we are now talking about? Or to put it in a  
13 proper perspective, should we understand there has been  
14 any change in that code provision?

15 A No, the nondestructive examination required  
16 by the code is done after the visual inspection is  
17 completed.

18 Q Has it always been required as it is now?

19 A Yes. My recollection is, that is the way  
20 it is.

21 Q Anybody else have anything to offer on that?  
22 This has always been a requirement of an NDE examination  
23 inspection of the weld after the final visual as is now?

24 A (WITNESS DAVISON) Yes.

25 A (WITNESS MORGAN) Yes.



j-4d-7

1 A (WITNESS ALLUM) Yes.

2 A (WITNESS BALDWIN) Yes.

3 A (WITNESS SHROPSHIRE) Yes.

4 Q Now, Mr. Allum, give us a general description,  
5 if you would, of what are these nonvisual inspection  
6 techniques, and just, really, a shorthand description  
7 of how they are done physically, so we can understand  
8 what it is.

9 Let's take the example of a welding inspector  
10 that does the final visual, and because the procedure  
11 calls for an NDE examination of that weld, he does  
12 that as well.

13 What would we do?

14 A (WITNESS ALLUM) Well, if he has a magnetic  
15 particle inspection, it would block and normally  
16 the procedure is to make sure the area is clean, take  
17 a magnetizing device, machine, or a yoke.

18 Q Slow down and break this out for us lay people  
19 who don't know what the terms mean, Mr. Allum.

20 If you can, simplify it and let us understand  
21 what is done.

22 A The hand-held yoke is a magnetic particle  
23 testing device. And the inspector will put it in  
24 contact with the surface, energize it. He will put on a  
25 magnetic powder and look at the indication. It will



j=4d-8

1 blow off the excess powder and read the indication.

2 Q Is it electromagnetic?

3 A Yes, sir.

4 Q The particles, are they some kind of a  
5 metal?

6 A Yes, sir.

7 Q Like an iron, something of that nature?

8 A Right.

9 Q You put them on the surface, and you energize  
10 the electromagnet, and it causes the particles to  
11 orient themselves according to the polarity of the  
12 electromagnet?

13 A In line with the discontinuities and the  
14 material.

15 Q And they line up with the crack; is that right?

16 A Yes, sir.

17 Q What would you see, generally, if you  
18 were an inspector looking at it, and you just did a  
19 magnetic particle examination, and there is a crack?  
20 And you would see a dark line of particles?

21 The particles would sort of line up in the  
22 crack?

23 A Yes, sir.

24 Q So, the human element, if you will, is  
25 looking at the way the particles line up and reaching the

-4d-9

1 conclusion about whether that shows a rejectable  
2 indication?

3 A Yes, sir.

4 Q Now, that is the magnetic particle.

5 How about liquid penetrant?

6 A Liquid penetrant will go through and clean  
7 the material clearly to remove all the solvents, then  
8 we will apply a penetrating type material that will  
9 seep in through the cracks for discontinuities and  
10 open it to the surface after a specified well time.  
11 We will remove the excess penetrant from the surface.

12 Q I am sorry. A specified what?

13 A Well time. The time for the penetrant to enter.

14 Q W-e-l-l?

15 A W-e-l-l.

16 Q All right. Well time.

17 All right, sir.

18 A And then, after that period of time, it is  
19 cleaned, and the powder is sprayed on top of the piping  
20 material in the inspection area, and any discontinuity  
21 will bleed through in a red color under the white dye  
22 leaving us an indication of whether it is a crack or  
23 something open in the surface.

24

25

1 Q Okay. And what's the color that the inspector  
2 would be looking for for a rejectable condition?

3 A We use red penetrant.

4 Q So it would be a red -- a red discontinuity or  
5 a red irregularity?

6 A Yes.

7 Q And again with the magnetic particle, the  
8 judgment factor -- the inspector is looking for that dye  
9 indication?

10 A That's correct.

11 Q Are those the only two nondestructive techniques  
12 that are employed after a visual inspection?

13 A It depends on the class weld again. It may  
14 require a volume -- ultrasonic inspection or a radiography.

15 Q Give me a shorthand of what those are. What  
16 is the ultrasonic?

17 A In ultrasonics, we use a machine that sends  
18 a vibration sound signal into the material, which is  
19 reflected back off any discontinuity and back to a screen  
20 presentation where the inspector will evaluate the screen  
21 presentation and determine what kind of defect they have  
22 or size or shape of it.

23 Q Okay. Do you have to fill the pipe with  
24 something?

25 A No.

1 Q You just -- you just shoot the pipe where the  
2 complete weld is?

3 A Lay your hand on it. You have a transducer  
4 and you put the coupling on it and lay the transducer on  
5 the pipe.

6 Q And you read it off what screen?

7 A A CRT screen.

8 Q Like a little TV screen?

9 A Yes.

10 Q Is there a permanent record made of the  
11 results?

12 A Yes. Yes.

13 Q How is that done?

14 A It's a recorder -- inspection form.

15 Q So the results are recorded by hand?

16 A Yes.

17 Q You don't get the picture as a permanent record,  
18 do you?

19 A That's correct.

20 Q Okay. Now, the -- finally the last technique  
21 is what?

22 A Radiography.

23 Q How would that be done?

24 A We take a -- we use a -- we take our film and  
25 put it on the backside of the weld and use an indicator --

1 a quality indicator to -- on the pipe or material.

2 Q What is that, Mr. Allum?

3 A To determine whether we have acceptable quality  
4 radiography.

5 Q Like a test?

6 A Yes.

7 Q A test patch or something like that?

8 A That's a good basic definition.

9 Q Okay. Fine.

10 A We have our radiographers mark off the pipe,  
11 indicating where the different intervals are, the number  
12 of the pipe, the weld involved. They take a radium source  
13 and expose the film to the source and take the film and  
14 process it and develop it and have it read.

15 Q Um-hum. Okay. And there is a permanent record  
16 of that, is there?

17 A Yes.

18 Q That's basically a piece of film?

19 A Yes, sir.

20 Q Developed film?

21 A Right.

22 Q And does that become a permanent part of that  
23 weld record?

24 A Yes, sir.

25 Q Generally speaking, let me understand when would

1 you do radiography. Are they done for welds?

2 A No.

3 Q What specific classes?

4 A Class A welds.

5 Q Only Class A; is that right?

6 A We have done some in the Class B systems.

7 A (WITNESS DAVISON) Mr. Guild, this is when the  
8 code specifies whether volumetric examination is required  
9 depending on the class and on the size, and that would  
10 determine when you do a volumetric examination.

11 Q What do you mean by volumetric, Mr. Davison?

12 A Well, the radiographic and volumetric -- they  
13 are volumetric techniques. You can examine the entire  
14 volume of the weld itself. Liquid penetrant and magnetic  
15 particles generally are considered surface technique  
16 where you can inspect the surface.

17 Q All right. Mr. Allum, when we were talking  
18 earlier about the identification of lack of fusion,  
19 would lack of fusion be more commonly indicated by volumetric  
20 technique?

21 A (WITNESS ALLUM) Yes, sir.

22 Q Because it would be below the surface and not  
23 necessarily visual, available to the eye?

24 A Yes, sir.

25 A (WITNESS DAVISON) I would say it might also be

1 more by liquid penetrant or liquid particles. It may  
2 not be visible to the naked eye, but the surface technique  
3 with the penetrant and magnetic particle would point it  
4 out.

5 Q So my understanding, Mr. Davison, a weld where  
6 the weld material laps over and the base metal of the pipe,  
7 it might appear to be a sound weld but upon use of liquid  
8 penetrant or magnetic particle, the lack of fusion of that  
9 boundary, if you will, will indicate -- not necessarily  
10 indicated by simple visual inspection?

11 A Yes, that's possible.

12 Q Now, are any of these NDE techniques used as  
13 as a check or a back-up where they wouldn't normally be used  
14 but used as a device to -- if you will, go behind the  
15 visual inspector?

16 A No. That is not commonly the use of the NDE  
17 techniques although they might be used if there were  
18 some question about what an indication was -- what it  
19 actually represented. Of course, one of those techniques  
20 could be used to again further information so as to better  
21 interpret the condition.

22 Q Right. Let's take as an example inspector says  
23 he thinks there is a rejectable condition. Would it be  
24 uncommon for his supervision or for someone else to say  
25 well, let's do an NDE examination of that weld to see whether

1 or not you are right?

2 A That is possible. I don't think that is a  
3 very common occurrence, but certainly that -- I'm sure  
4 that has occurred and that's a possibility. Yes.

5 Q Well, let's take an example of circumstances  
6 where a welding inspector performed a final visual inspection  
7 of a weld and says I think there is a rejectable condition  
8 here and I want to nonconform that weld, and he fills out  
9 this QI form and they bring it to you, Mr. Baldwin, at  
10 least in times past, and they say I think there is a  
11 rejectable condition here. Maybe a number of them. Say  
12 lack of fusion. Have you ever called for an NDE, say,  
13 double check of that inspection where the NDE wouldn't  
14 otherwise be called for?

15 A (WITNESS BALDWIN) First of all it's not normal  
16 to write a nonconforming item because the weld has a  
17 rejectable indication. That is not a normal process.  
18 Especially for lack of fusion. I have called for NDE  
19 to clear a question that was raised by a craftsman as a  
20 result of a welding inspector rejecting a weld that had  
21 been previously visually inspected and accepted and had  
22 previously been liquid penetrant inspected and inspected.

23 Q How did the craft happen to raise the matter?  
24 If you can think of a specific example.

25 A Because -- because the welding inspector had



1 rejected work that already had been inspected and the  
2 craftswoman questioned him doing that.

3 Q I see. So it had been accepted by one visual  
4 inspector?

5 A Yes, sir.

6 Q Accepted by one NDE inspector using a liquid  
7 penetrant technique?

8 A Yes, sir.

9 Q And then rejected by another visual inspection?

10 A Yes.

11 Q And then you called for RT?

12 A No, sir.

13 Q What did you do? Called for another liquid  
14 penetrant?

15 A Yes, sir.

16 Q Another liquid penetrant?

17 A Yes, sir.

18 Q How did the second visual happen to occur if you  
19 remember?

20 A That was a result of a repair that was made  
21 as a result of the liquid penetrant examination.

22 Q So the liquid penetrant found something wrong?

23 A Yes, sir.

24 Q And then there was a reinspection of the rework --

25 A Well, the NDE inspector had rejected the weld for

1 an indication as a result of the liquid penetrant examination.

2 Q Right.

3 A The craft had removed the indication. This  
4 required at this time another visual inspection by a  
5 certified visual inspector, so the craft called for a  
6 visual inspection by the visual inspector and in this  
7 case it was another inspector, the one that had not  
8 previously looked at the weld.

9 Q Right.

10 A And he had questioned some areas that had been  
11 already inspected.

12 Q All right.

13 A And rejected some areas.

14 Q All right. And what did you do?

15 A I got with his supervisor. This caused some  
16 concern that maybe we did have a problem with the  
17 inspection. I wasn't sure if this inspector was right.

18 Q First one or the second one?

19 A I wasn't sure what the situation was. I felt  
20 it needed further evaluation to determine what really  
21 was the situation.

22 Q Mr. Baldwin, hold on one second. You are speaking  
23 of a very specific example. Can you give us some detail  
24 so that we can have reference?

25 A I think this is one of the concerns. I don't

1 remember the concern identification number by Mr. John Bryant.

2 Q Mr. Bryant?

3 A Yes, sir.

4 Q And can you give me more description of the  
5 circumstances and maybe we can track it down?

6 A This is a tank that is special I guess to  
7 drain the steam generator. I am not sure what the correct  
8 technical term is. It's a concrete structure lined with  
9 stainless steel liner plate.

10 Q Yes, sir.

11 JUDGE KELLEY: Can we get a break here in the  
12 next five minutes?

13 MR. GUILD: Yes, sir.

14

15 BY MR. GUILD:

16 Q Perhaps, Mr. Bryant -- I mean Mr. Baldwin,  
17 if I gave you a copy of the Volume 2 of the technical  
18 task force that included the tab number with Mr. Bryant's  
19 name, do you think you could find the example that you're  
20 talking about?

21 A Possibly, yes.

22 MR. GUILD: Maybe we could take a break and get  
23 back to Mr. Baldwin.

24 JUDGE KELLEY: Ten minutes.

25 (Recess.)

1 JUDGE KELLEY: Back on the record. Mr. Gibson  
2 during the break distributed to the Board and the parties  
3 a chart with attached extraction of numbers. Did we  
4 number this as an exhibit?

5 MR. GIBSON: I believe Exhibit Number 22. And  
6 while we are on that subject, we also numbered the PPPW  
7 as Exhibit 23.

8 (The documents referred to were marked Applicant's  
9 Exhibit Number 22 and Number 23 for identification and  
10 were received in evidence.)

11 JUDGE KELLEY: We should also acknowledge receipt  
12 of the prepared testimony that I believe the applicants  
13 distributed during the break. This would be served on  
14 the parties and the Board.

15 MR. GIBSON: I distributed to the various counsel  
16 tables during the break Mr. Dick, Mr. Beam and Mr. Rogers.

17 JUDGE KELLEY: Right. Also known as Panel 6.

18 MR. GIBSON: I should point out and I'm not  
19 sure if I did earlier. Mr. Dick's testimony includes three  
20 attachments. There are three documents that are already  
21 in evidence that are not attached to the testimony. We  
22 will have some copies available when he testifies.

23 JUDGE KELLEY: Okay.

24 MR. GIBSON: But because of the rush, they are  
25 not attached at this point.

1 JUDGE KELLEY: All right. Fine. So,  
2 Mr. Guild, are you ready to resume?

3 MR. GUILD: Yes, sir. Mr. Chairman, we have  
4 not received Mr. Davison's PPPW. If it's been marked  
5 and received as a hearing exhibit, it hasn't been yet  
6 disseminated.

7 JUDGE KELLEY: I just gave it to Mr. Gibson.

8 MR. GIBSON: We are going to have copies made  
9 during lunch and certainly shortly after lunch we will have  
10 copies. We do not have a separate set of copies down here.

11 MR. GUILD: I don't anticipate objections to  
12 its receipt in evidence, but I hadn't seen it yet, so  
13 I would like to -- I think it was previously marked and  
14 admitted, but we know what it is.

15 Thank you, Mr. Chairman. May I proceed?

16 JUDGE KELLEY: Yes, please.

17  
18 BY MR. GUILD:

19 Q Mr. Baldwin, I am looking at technical concern  
20 R50 in Volume 2 of the task force report. Does that appear  
21 to be the -- the concern by Mr. Bryant that you have  
22 discussed?

23 A (WITNESS BALDWIN) I think I have D22, concern  
24 D22. It may be the same concern.

25 (Pause.)

1 Q Well, I'm looking at R50, D23, and if you look  
2 at R50, it's under -- well, it's under 23 toward the front  
3 of that volume, and it says steam generated blow down tank,  
4 downhill welding, not to be nonconformed per CRP.

5 A That is incorrect. That is not the one.

6 Q That isn't the one?

7 A That is not the concern that we are talking about.

8 Q Oh, I am sorry. Well, help me find it.

9 A D22.

10 (Pause.)

11 JUDGE KELLEY: That's about one inch into this  
12 document, right?

13 WITNESS BALDWIN: Yes, sir. About a half inch  
14 into the document. It's just in front of R50 and D23.

15 JUDGE KELLEY: Says minor incomplete fusion found,  
16 at the top of the page.

17 WITNESS BALDWIN: Yes, sir.

18 JUDGE KELLEY: Okay.

19 MR. GUILD: Okay.

20 (Pause.)

21  
22 BY MR. GUILD:

23 Q Okay. Now, what's the business here about the  
24 leak test inspection? What does that refer to, Mr. Baldwin?

25 A (WITNESS BALDWIN) This is part of the

1 justification of the concern by the task force.

2 Q So they went back. You didn't ask them to do  
3 a leak test, did you?

4 A No, sir.

5 Q That was after they went back to technically  
6 resolve the concern?

7 A Yes, sir.

8 Q Okay.

9 A This wasn't done. This was a normal test that  
10 would have been applied to this weld after this concern  
11 came up. Can I explain the situation?

12 Q Please do. I am sorry. Sure.

13 A This is a concrete structure that is lined with  
14 stainless steel plate.

15 Q Right.

16 A This particular weld involved as I recall it  
17 is possibly 10 feet long. It's a horizontal weld, welding  
18 two plates together. I was called by the welding craft  
19 general foreman that was responsible for this area, saying  
20 that I needed to investigate a concern or a situation that  
21 had developed on this weld because a welding inspector was  
22 rejecting a weld visually that had been previously accepted  
23 visually by another inspector and had been previously  
24 accepted with the exception of a few indications with liquid  
25 penetrant examination.

1 Q Let me hold you right there. How can it be  
2 accepted with a few --

3 A I mean all the welds with the exception of a few  
4 indications that were discovered. The continuities that  
5 were discovered as a result of the liquid penetrant  
6 examination.

7 Q So it was rejected?

8 A Yes, sir.

9 Q So it was like ninety percent okay or ninety-nine  
10 percent okay but there was one percent that wasn't okay  
11 and for that reason it was rejected?

12 A Yes, sir. There were some indications  
13 discovered with the liquid penetrant examination that  
14 required grinding as I recall, just to remove those  
15 discontinuities.

16 Q Okay.

17 A This resulted in a -- these NDE inspectors were  
18 not certified to do visual inspection at this time, so the  
19 procedure required a visual -- a certified visual inspector  
20 to examine the welds to determine if additional welding  
21 was required. After these discontinuities were removed.

22 Q Um-hum.

23 A So the craft signed up for a visual examination  
24 to examine these welds that had been repaired. Mr. Bryant  
25 had not previously looked at this weld, so he looked at the



1 complete weld, as a result -- you know -- instead of just  
2 looking at the areas that had been repaired, he looked at  
3 the complete weld and identified several areas of concern  
4 visually --

5 Q Um-hum.

6 A -- that he felt had a lack of fusion.

7 Q Right.

8 A So when I was notified of the situation, I went  
9 by and got Mr. Bryant's first line immediate supervisor.  
10 He went out and looked.

11 Q Who was that

12 A Mr. Beau Ross.

13 Q All right.

14 A I was concerned -- you know -- I had a concern  
15 that there was a possibility that the inspectors had not  
16 done an adequate job, either the visual inspector or  
17 that NDE inspector that had inspected the weld previously.  
18 I wasn't sure. I looked at the weld and I saw there could be  
19 concerns, so I didn't pass any judgment on whether Mr. Bryant  
20 was correct or not, so we brought Mr. Bryant into the area  
21 and have him identify all the areas on the weld that he had  
22 concern with, that he had identified as lack of fusion.

23 I discussed this with Mr. Ross who -- it seemed  
24 to me the logical thing to do since it was recognized that  
25 liquid penetrant examination is a more sensitive test for

1 determining discontinuities that are open to the surface --  
2 more sensitive than a visual inspection. That this would  
3 be appropriate to apply this method of re-examination.

4 Q Um-hum.

5 A So we had Mr. Bryant to identify the areas  
6 on the weld that he had concerns with. We had those  
7 areas re-examined by liquid penetrant examination.

8 Q Okay.

9 A There is no rejectable indications as a result  
10 of this retest.

11 Q Okay. Now, let me start backwards. Who did the  
12 retest?

13 A (No response.)

14 Q Did you?

15 A No, sir. There was two certified liquid  
16 penetrant examiners in the area. I don't think that they  
17 were the ones that did the previous test. I don't recall  
18 if they were.

19 Q But you had an NDE inspector who was certified  
20 in liquid penetrant do the second --

21 A The retest.

22 Q The retest?

23 A Yes, sir. The second retest.

24 Q And it was their conclusion that there were no  
25 rejectable indications?

1           A       It was a conclusion that was -- it was Mr. Ross'  
2 conclusion and the NDE examiner's conclusion that there was  
3 no rejectable indication. We stayed in the area until  
4 the test was performed.

5           Q       So it was sort of a joint decision?  
6 I mean you all looked at the -- sat there and looked at  
7 the results of the liquid penetrant test?

8           A       Yes, sir. We watched the inspectors perform  
9 the test and watched the inspectors evaluate the test.

10          Q       Okay. Okay. Now, let me just back up a couple  
11 steps further. Did you dispute the fact that the -- after  
12 the first visual, when you did the first penetrant, that  
13 there were rejectable indications disclosed by the first  
14 use of the liquid penetrant test?

15          A       No, sir, I didn't.

16          Q       Okay.

17          A       I didn't have any basis to dispute that until --  
18 you know --

19          Q       And then under the old procedure, you had to do  
20 another final visual and Mr. Bryant came on. Was he aware  
21 that the -- that the previous liquid penetrant had showed  
22 rejectable indications?

23          A       Yes. He was aware of what the inspection -- you  
24 know -- I assumed that. I am not sure of what he was aware  
25 of.

1 Q Let's assume he was aware. Wouldn't it be  
2 conscientious on his part and also consistent with his  
3 responsibility to do a -- an especially close subsequent  
4 visual inspection having seen on the first visual had  
5 passed without any rejectable indications, but upon use  
6 of liquid penetrant the first time, rejectable indications  
7 were shown that apparently the first visual inspector didn't  
8 see?

9 A That is the purpose of perform the examination --  
10 of performing a liquid penetrant examination. It's a more  
11 sensitive examination.

12 Q I mean you weren't critical of Mr. Bryant for  
13 having been particularly conscientious in going back and  
14 doing a more thorough visual and seeing indications that  
15 in his opinion were rejectable where he says that the  
16 second look through the liquid penetrant disclosed  
17 conditions that the first visual inspection didn't find?

18 A No, sir. I wasn't critical of Mr. Bryant.

19 A (WITNESS DAVISON) Let me add something here if  
20 I might. The visual penetrant is a much more sensitive test  
21 just as the magnetic particle test is. It's another means  
22 of examination.

23 Q The things that Mr. Davison in some instance might--  
24 could have been caught by the first visual but weren't --

25 A Possibly, but very, very infrequently would that

1 be the case. The visual inspection is done by the eye  
2 looking for conditions. The liquid penetrant examination  
3 is an entirely different principle of allowing penetrant  
4 to seep into very, very tight, usually not visible  
5 discontinuities.

6 Q I --

7 A I guess --

8 Q Right.

9 A So it would not be an unusual situation to have  
10 a liquid penetrant examination identify conditions that  
11 were not identified on the visual

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1           Q       Mr. Baldwin, did Mr. Bryant, the Quality  
2 Control inspector who did the second final visual,  
3 did he have the authority to go back and look at and  
4 indicate if he saw rejectionable conditions on the rest  
5 of the weld, or was he only limited in his authority to  
6 look at those portions, 1 percent, if you will, in the first  
7 liquid penetrant found rejectable?

8           A       (WITNESS BALDWIN): He had the authority  
9 to look at the complete welds.

10          Q       He did?

11          A       Yes, sir.

12          Q       As far as looking at the complete weld, he  
13 saw things that he thought were rejectable, didn't he?

14          A       Yes, sir.

15          Q       What did he propose to do with those rejectable  
16 conditions that he found?

17          A       He proposed that they be repaired.

18          Q       He proposed to document his inspections of  
19 it?

20          A       He would have documented that on the process  
21 control form that was being used.

22          Q       Did he?

23          A       I don't recall how he documented that.

24          Q       What did you tell him to do about documenting  
25 it?

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1           A       I didn't. The only thing that I discussed  
2 with him was to identify the areas that he had concerns  
3 with.

4           Q       Well, he talked, communicated through his  
5 supervisor. His supervisor was there when he re-evaluated  
6 the examination of it -- you know, like I say, I wasn't  
7 sure of Mr. Bryant having a legitimate question on it.  
8 I wasn't saying that he was incorrect in his judgment.

9           A       Right.

10                  So, as I said earlier, that is very difficult  
11 to see, and not normally seen visually.

12                  It is usually in the subsurface, and occasionally  
13 you can identify it. But it would be open on the  
14 surface. But I didn't make any assumption on whether  
15 or not he was correct or incorrect in his judgment.

16                  That's why I did have another test that I  
17 thought -- a retest, by the liquid penetrant method,  
18 done to give me some basis for forming an opinion, a  
19 judgment, making some judgment on it.

20           Q       All right. And it is your testimony, Mr.  
21 Baldwin, that Mr. Bryant acted properly in identifying  
22 what he believed were rejectable conditions?

23           A       I don't see anything inconsistent with the  
24 QA program. Yes, I would think that he acted properly.

25           Q       At that time, the inspector who did the first



1 ending examination, the liquid penetrant, he didn't  
2 have authority to also do the final visual again at  
3 the time, did he?

4 A Not of the areas that he had repair work in,  
5 no, sir. He was not certified as the visual inspector.

6 Q Are the people now, generally speaking,  
7 that performed those NDE examinations also certified  
8 to do the final visual in that setting?

9 A Generally speaking, yes.

10 Q So the people who are certified now can do  
11 both NDE and also the final visual, and presumably,  
12 they would have done the complete work, and Mr. Bryant  
13 never would have entered the picture, because there  
14 never would have been a need for the second final visual  
15 by a person such as Mr. Bryant?

16 A Mr. Bryant probably would now perform the  
17 NDE himself.

18 Q He would have done it?

19 A He would have, yes, probably. If he had  
20 done the initial visual inspection.

21 Q All right. And from this same example,  
22 Mr. Baldwin, did you act properly and consistent with  
23 the procedure, in your opinion?

24 A In my judgment, I did, yes.

25 Q Can you point me to a procedure that



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1 authorized you or did at the time to essentially go  
2 behind the results of the visual inspection and do  
3 another NDE to sort of check the conclusion of the  
4 QC inspector?

5 A I don't think there is a procedure. I don't  
6 even think that is good management practices,

7 If you have a question about an inspection  
8 being performed then you evaluate that.

9 Q So you think that is inherent in your  
10 responsibilities?

11 A Yes, sir.

12 Q Okay. Fine.

13 Now, gentlemen, as a panel, I want to try  
14 to understand, we have talked a little bit about the  
15 relationship between NDE and the NDE techniques and  
16 visual inspections, at least.

17 If I can, I would like to try to get an  
18 overview of what changes have taken place at the Catawba  
19 with respect to the inspection of welds and the  
20 relationship between the qualification of the inspectors  
21 and the NDE techniques and the qualification of inspectors  
22 in visual techniques.

23 Do I understand that fairly, that overtime  
24 at Catawba, there has been, generally speaking, a greater  
25 emphasis on qualifying inspectors in the use of NDE

1 techniques; is that a fair observation?

2 A (WITNESS DAVISON) I wouldn't think that is  
3 a fair characterization. It appears at times during  
4 Catawba we had inspectors who were qualified for NDE  
5 techniques that we mentioned, as liquid penetrant,  
6 magnetic particle, radiography, ultrasonic, that were  
7 not qualified as visual welding inspectors, in addition  
8 to that.

9 We have the situation now where we do have  
10 inspectors, both welding inspectors that have had  
11 training and have been qualified in certain of these  
12 NDE techniques and certain NDE inspectors have had training  
13 that have been qualified as visual welding engineers.

14 Q Does anybody else have anything to add to that?

15 A (WITNESS MORGAN): No.

16 A (WITNESS SHROPSHIRE): No.

17 Q Isn't it the case, gentlemen, that there are  
18 a couple of developments that I think a number of you  
19 have explained to me in previous testimony, depositions,  
20 that there has been a narrowing of the code provisions  
21 and the standards and procedures, if you will, governing  
22 the acceptability and inspection of welds over time.  
23 And there has been a development of the, if you will,  
24 nondestructive examination techniques for the examination  
25 of welds over time. Is that accurate?

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1 Mr. Davison?

2 A (WITNESS DAVISON) There again, I don't know  
3 that I would talk about it in terms that you have used.  
4 The NDE techniques that are used here are called for  
5 by the code document that the piping systems are built to.

6 As I said, that code is revised every three  
7 years, and addendums are put out approximately every  
8 year or six months. And times may change and increase  
9 the requirements or decrease requirements.

10 So over a period of construction at Catawba,  
11 there have been several changes to those procedures  
12 for those reasons.

13 I would not necessarily characterize it as a  
14 narrowing or emphasis on that, as opposed to something  
15 else. Rather, just a part of an ongoing dynamic  
16 document as the code is, that it gets revised.

17 Q Is it a fair characterization to say that  
18 in the early days of nuclear construction, when the QC  
19 inspection requirements were coming first into play,  
20 Appendix B, for example, that you relied primarily for  
21 the inspection of welds upon inspectors who themselves  
22 were experienced welding craftsmen; is that fair?

23 A That was our practice when we began nuclear  
24 work, at least, in my experience oncoming, yes, welding  
25 inspectors were obtained from a craft, welders who had

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6c

1 two years' experience in welding and welding fabrication.

2 I suppose, had there been people who had  
3 years of experience or some type of experience in  
4 welding inspections on the market at that point in  
5 time, we might have also obtained them from that source.

6 Q But there weren't?

7 A I wouldn't necessarily say there weren't.  
8 I would say, we did not seek them out, since we had  
9 welders available.

10 Q Well, you got into the nuclear business.  
11 You, Duke Power, got into the nuclear business just  
12 about as early as anybody got in. You got in pretty  
13 early on when they were building Oconee. Isn't it a  
14 fair generalization there wasn't a pool of experienced,  
15 qualified nuclear welding inspectors out there for you  
16 to draw on, and therefore, you had to draw on inexperienced  
17 welders?

18 A There again, you are talking in very general  
19 terms here.

20 When I came to work with Duke in 1971, the  
21 practice was that welding inspectors were obtained  
22 from the welding craft with two years of experience,  
23 practical.

24 Q Yes, sir. What developments of significance,  
25 if any, gentlemen, have there been in the areas of

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1 welds in NDE techniques during the life of the Catawba  
2 projec+?

3 A The basic NDE techniques like penetrant,  
4 magnetic particle, radiography, ultrasonics, have been in  
5 effect and in use throughout the period of construction  
6 of Catawba and the codes have changed in some regards  
7 to their individual techniques.

8 But I am not aware of what I would classify  
9 as any significant change in those techniques or  
10 the use of them.

11 Q Isn't it true that whereas your past practice,  
12 if not requirement, was to qualify welding inspectors  
13 on the basis of prior welding craft experience, and that  
14 your later practice and present practice was to qualify  
15 welding inspectors on the basis of prior inspection  
16 experience, and that that inspection experience included  
17 experience not in the visual inspection of welds, but  
18 experience in the nondestructive examination of welds;  
19 isn't that true?

20 A When the requirement for welding experience  
21 was removed from certification procedure, it was  
22 replaced with inspection experience. Yes, I would  
23 characterize the experience in NDE techniques with people  
24 who were qualified in those techniques as welding  
25 inspection experience, yes.

1           Much of the training is in the same type of  
2 defects that are there. The things that can be observed.  
3 The limitations of certain processes, the advantages  
4 and disadvantages of the processes.

5           So, yes, I think that very effective  
6 welding inspection experience, one would have to have  
7 been qualified and performed in the NDE.

8           Q       Isn't it accurate to say, gentlemen, that the  
9 pool, if you will, of inspectors who qualified primarily  
10 by experience as inspectors, as opposed to crafts  
11 experience as welders, came from Cherokee, and this term  
12 has been used, not by me, but by others, the pilot project.  
13 and that largely, their inspection experience was in  
14 the nondestructive examination of welds; isn't that true?

15          A       I don't know.

16                 There again, you make a very general  
17 characterization.

18                 It is true that the meaning of the welding  
19 NDE inspectors that were from Cherokee were transferred  
20 to Catawba.

21          Q       Isn't it true that many welding inspectors  
22 from Cherokee were qualified on the basis of their  
23 prior NDE inspection experience, as contrasted with  
24 their weld and crafts experience?

25          A       Without reviewing that in detail, I couldn't say

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1 to answer that question for sure.

2 My understanding of that would be true in  
3 some cases.

4 A (WITNESS ALLUM): If you are saying based on  
5 past NDE experience, as to what they were qualified on,  
6 that is wrong.

7 Q Would you tell me what I am misstating,  
8 Mr. Allum?

9 A I heard you say that the qualification was  
10 based on their previous NDE inspection qualifications.  
11 That's not true.

12 Q What is the correct statement, then?

13 A Their certification was based on training and  
14 testing and certification.

15 Q Training, testing, certification and  
16 experience as NDE inspectors?

17 A That was some background, but not the basis  
18 for the certification.

19 Q That wasn't included at all in the certification?

20 A No.

21 Q They could have been off the street just  
22 as well with the training and testing, and all the rest,  
23 as much as have had prior NDE experience?

24 A They could have had a craft experience, or  
25 they could have had related construction experience to meet



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1 their construction experience requirements.

2 But just to say that their NDE experience  
3 certified them for welding inspection is wrong.

4 Q I didn't mean to suggest that just their  
5 NDE experience did. I am glad you spoke up, Mr. Allum,  
6 because you in fact transferred from Cherokee, didn't you?

7 A Yes.

8 Q Your experience before you came to Catawba  
9 was supervising inspections of welds at Cherokee; isn't  
10 that right?

11 A Yes.

12 Q Your background personally is in nondestructive  
13 examination of welds; isn't it?

14 A Welding NDE. The whole welding program.

15 Q You are certified as NDE examiner and  
16 inspector, aren't you?

17 A No.

18 Q You're not?

19 A No.

20 Q Are you certified as a welding inspector?

21 A No.

22 Q Are you certified as a welding inspector/examiner?

23 A No.

24 Q All right. You came over to Catawba in May  
25 of '81, Mr. Allum?



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1 A Yes.

2 Q What were your duties when you came over  
3 to Catawba?

4 A I came to Catawba. I had the document  
5 control inspectors, the receiving inspectors.

6 Q I am sorry. Say that again.

7 A The receiving inspectors. The NDE inspectors  
8 and radiographers.

9 Q Did you supervise the visual inspection of  
10 welds at Catawba?

11 A No.

12 Q Why not?

13 A That wasn't one of my assignments.

14 A (WITNESS DAVISON): Maybe I could answer this.

15 Q Who had supervised inspections?

16 A Mr. Allum. Mr. Allum transferred to Catawba.  
17 Mr. Baldwin was the technical supervisor over the areas  
18 of welding inspections and NDE crews that we had at the  
19 time.

20 So when Mr. Allum came to Catawba, Mr. Allum  
21 was given the assignment of the NDE areas for  
22 radiography and NDE, and Mr. Baldwin was given the  
23 assignments for welding inspectors.

24 He retained the visual welding inspection.

25 Q Now, Mr. Allum, prior to your coming over from

1 Cherokee to Catawba in May of '81, when you took on the  
2 NDE and RT, and the other areas that you mentioned,  
3 but not the visual inspection of welds, had you served  
4 on a committee with Mr. Davison that worked on the job  
5 description, if you will, of welding inspectors?

6 A (WITNESS ALLUM): I don't know as I served  
7 on the committee. Mr. Davison and I had worked together  
8 on the position analysis.

9 Q I thought Mr. Davison described it as a  
10 committee. It was you and he and someone else?

11 A Yes.

12 Q Mr. Starnes?

13 A Yes, sir.

14 Q Mr. Starnes went off someplace, also.  
15 Did he work with you through the whole process of the  
16 job description for the position analysis?

17 A Yes.

18 Q And you and Mr. Davison and Mr. Starnes  
19 concluded that you needed to make some significant  
20 changes in the position analysis for welding inspectors,  
21 didn't you?

22 A I wouldn't say that, no.

23 Q You didn't think they were significant?

24 A No.

25 Q You made some changes?

1 A Yes.

2 Q And those changes removed the past requirement  
3 or practice, if you will, that in order to perform  
4 the visual -- to be certified to perform the visual  
5 inspection of welds -- that you have two years' prior  
6 crafts experience as a welder, didn't you?

7 A I think you are mixing ducks and geese.

8 Q Tell me how I am doing it.

9 I want to understand.

10 A (WITNESS DAVISON): Let me see if I can explain.

11 Q Let's help Mr. Allum follow through this  
12 ducks and geese characterization. I don't want to be  
13 called a duck or a goose without understanding what he  
14 means by it.

15 A (WITNESS ALLUM): What you are saying is  
16 that we removed the requirement for two years' welding  
17 inspector, two years' welding experience, for  
18 certification, and that's not true.

19 We removed the two years requirement of the  
20 position analysis to describe the work that the welding  
21 inspector does.

22 That doesn't -- is not certification. That's  
23 a description of a task that he does.

24 Q I am sorry.

25 A A position analysis is a description of a task

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1 that the welding inspector will perform.

2 Q I don't want to split hairs about it.

3 But to be clear, the qualifications were  
4 stated in, among other places, in code requirements;  
5 correct? And those requirements specified getting your  
6 experience, the requirement, through the craft or  
7 prior inspection experience; isn't that true? And they  
8 had for some time?

9 A Our requirements for the position analysis  
10 is what we based the background on, it was out of our  
11 procedure J-1. That had the requirements for certifying  
12 inspectors.

13 Q Did I say something wrong?

14 I want to understand whether my characterization  
15 was correct. You didn't alter the qualification; you  
16 altered the job description?

17 A That's correct.

18 A (WITNESS DAVISON): That's what I was going  
19 to add. What we were doing was working on the job  
20 description, which is to describe what an inspector does.  
21 That was the position analysis we were talking about.  
22 That was then taken and evaluated by the salary review  
23 people for pay purposes.

24 It had nothing to do with the requirements  
25 to be certified as an inspector.

1           Q       Right. It is like the chicken and egg  
2 proposition. But ultimately, the egg comes along, and  
3 ultimately, you wind up redefining what a welding  
4 inspector's job was and paying him less, through whatever  
5 sequence of events we want to talk about.

6                    You redefine the job of welding inspector?

7           A       Absolutely not. I don't think your description  
8 of the chicken and egg is true at all. There are two  
9 separate things, where one is certification.

10                   What it requires, what the QA requirements  
11 are to be certified as an inspector is --

12           Q       Those didn't change?

13           A       Separate from that, there are the position  
14 analyses that are descriptions of what things specifically  
15 that a person may do, and what the pay should be for  
16 that person. And they are separate things.

17           Q       They have nothing to do with one another?

18           A       They are inter-related to the extent that,  
19 of course, for certification, it would be something you  
20 would look at in the payment document.

21           Q       In this instance, it is a minimal requirement,  
22 since you can't get paid for doing the job without  
23 being certified, right?

24           A       The position analyses described the duties  
25 of the various positions and described what certifications

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1 are required for those positions, and not to have two  
2 positions that would require the same certification.

3 MR. GIBSON: Your Honor, we object. They  
4 have gone over this with the panel in great detail on  
5 the specific questions that are being answered now.  
6 They have been answered at least once or twice by  
7 those other panels.

8 I think we are finally on the same ground  
9 as we plowed extensively before.

10 MR. GUILD: It is being replowed by the witnesses.  
11 I thought we were clear on it the last time.

12 We talked about the subject. I don't mean  
13 to unearth lingering problems. If we are not being clear --  
14 I am not being clear on the use of materials and the  
15 sequence of events, I would like to be corrected by the  
16 witnesses.

17 I appreciate it if you will do that. I  
18 think we are hereby simply trained to acknowledge  
19 something we don't dispute. That is what they did with  
20 respect to the position analysis.

21 Now, I think they dispute my characterization,  
22 and they are certainly free to do that.  
23  
24  
25

1 MR. GIBSON: I am saying that's been covered  
2 ad nauseum by earlier panels, and Mr. Guild is describing  
3 what had been earlier --

4 JUDGE KELLEY: It's okay. It seems to me it has  
5 been discussed. It does appear that there are witnesses on  
6 this panel -- for example, Mr. Allum, who had a role in the  
7 review of the job description who have not spoken to it before.  
8 It does seem to me that we have pretty well beaten it to  
9 death; but if you have an inconsistency, Mr. Guild, is there  
10 a further light that needs to be shed?

11 MR. GUILD: I don't know. I asked the question.  
12 I thought I was clear about how it happened, and I am told  
13 I misunderstood. I don't want to leave the record with that  
14 characterization that I misstated the facts or that I --  
15 or to be -- or to misunderstand.

16 JUDGE KELLEY: But that was back about ten  
17 questions before when the ducks and the geese came in the  
18 door. We have had questions and answers back and forth,  
19 and it seems pretty well straightened out to me.

20 MR. GUILD: I hope so. I hope we can move on,  
21 Mr. Chairman, because I didn't want to do it over again.

22 JUDGE KELLEY: Okay. Okay. This Board deals  
23 in apples and oranges. We try to stay away from ducks and  
24 geese.

25 MR. GUILD: I can handle inanimate objects, but



1 the flying creatures are a little different.

2

3 BY MR. GUILD:

4 Q All right. Mr. Allum, you participated in that  
5 process, and I will try to stay away from animals and fruit  
6 and just focus on the fact that you and Mr. Davison and  
7 Mr. Starnes worked on the position analysis?

8 A (WITNESS ALLUM) That's correct.

9 Q And let's not split hairs. I want to be accurate,  
10 but the result of that position analysis was to observe the  
11 objective fact that welding inspectors no longer had to  
12 be welders. Is that fair?

13 A That's not fair.

14 Q Oh, no. Okay.

15 A The object was to come up with an adequate  
16 and accurate description of what the welding inspectors  
17 were expected to do. That was what we did. That was --  
18 we put our thought on paper. We went back to the first line  
19 supervisors and let them take a look at them and see if they  
20 had any objections to them or wanted to add anything --  
21 anything that was stated that was incorrect or inconsistent,  
22 and they made their comments and we submitted them.

23 (Pause.)

24 Q Well, help me, please. I beg you, Mr. Allum, save  
25 me from falling into this furrow again. What did you about



1 the experience of welding inspectors and the requirement  
2 that they have welding craft experience?

3 A It was deleted.

4 Q Fine. You deleted that. And what did you put  
5 in its place, if anything?

6 A We put in a related experience. Inspection  
7 experience or a related craft experience. It can be  
8 anything.

9 Q And how could you get that experience, Mr. Allum?

10 A By working in a related construction job, by  
11 being in another inspection group. We established an  
12 inspection -- welding inspector learner category,  
13 classification, and we had people who would take into  
14 the welding inspector learner classification and get the  
15 experience necessary to be certified.

16 Q Have you been qualifying people for welding  
17 inspectors for the visual inspection of welds whose  
18 previous experience had been as NDE inspectors?  
19 Have you been doing that?

20 A When?

21 Q Since you did this position analysis.

22 A Yes, we have done that.

23 Q And have you done that in some substantial  
24 numbers? I mean --

25 A Yes.

Q You have?

1           A       Yes.

2           Q       Okay. And people that you previously have  
3 supervised, Mr. Allum, at Cherokee who formally were  
4 certified as NDE inspectors as well as now certified  
5 as visual inspectors of welds. Isn't that true?

6           A       That's not true.

7           Q       What did I say wrong?

8           A       People who are certified -- the people who  
9 were at Cherokee, came from Cherokee, were certified  
10 welding inspectors. I don't believe we brought any NDE  
11 inspectors over that were only certified in NDE. I may  
12 be wrong.

13          Q       But at Cherokee they were certified as welding  
14 inspectors?

15          A       Right.

16          Q       But at Catawba you didn't certify people  
17 whose background was NDE -- you certified people whose  
18 background was welding craftsmen? The practice at Cherokee  
19 was different, right?

20          A       Yes.

21          Q       Okay. So they came over -- I don't mean chickens  
22 and eggs -- but they came over from Cherokee already  
23 certified as both NDE and visual inspectors?

24          A       Yes, sir.

25          Q       Okay. Okay. And then you came over?

1 A Yes, sir.

2 Q Now, you came over in May of '81, Mr. Allum,  
3 and you didn't supervise the visual inspection of welds at  
4 that time but you did get put over the visual inspection of  
5 welds in January of '82, didn't you?

6 A Yes.

7 Q Now, who did that, Mr. Allum? Who changed  
8 your job assignment?

9 A Mr. Wells.

10 Q And Mr. Wells was then corporate quality  
11 assurance manager?

12 A Yes, sir.

13 Q Now, let me direct your attention to Palmetto  
14 Exhibit Number 13 and perhaps counsel can make available  
15 a copy of that to the witness.

16 Okay. Do you have that, Mr. Allum?

17 A Yes, sir.

18 Q And that has a date on the first page that  
19 says 12-28-81?

20 A Yes, sir.

21 Q Jim, signed by Larry?

22 A Right.

23 Q Confidential at the bottom?

24 A Yes, sir.

25 Q Okay. Now, flip on through here. Have you ever

1 seen this before?

2 A No, I haven't.

3 Q Flip on through to the second to the last page,  
4 the last handwritten page. At the top says  
5 organizational/management.

6 A Right.

7 Q Okay. Now, Number 2 -- Number 1 relates to  
8 Beau Ross, and you know Mr. Ross, right?

9 A Yes.

10 Q He is a first level inspecting supervisor?

11 A Yes.

12 Q And you supervised him, correct?

13 A After this.

14 Q After this date. Number 2, C. R. Baldwin  
15 transferred to technical supervisor TR and NDE, replaced with  
16 A. E. Allum. Right?

17 A Yes, sir.

18 Q Okay. That is you. Right?

19 A Yes.

20 Q Okay. Now, this document I'll represent to you  
21 had been identified previously by Mr. Larry Davison  
22 as a proposal to Mr. Jim Wells to -- if you will, address  
23 the welding inspector concerns, and as a -- as they  
24 knew them in late December, 1981. Right? Now, you were  
25 aware that your transfer into supervising the visual

1 inspection of welds was as a result of Mr. Larry Davison's  
2 to Mr. Wells in this form?

3 A No, I didn't.

4 Q Okay. Who told you that you would be transferred  
5 over -- were you transferred in over Mr. Ross and his crew?

6 A Yes.

7 Q And you stayed in that position for some time,  
8 right?

9 A Yes.

10 Q But you are not in that position any more?

11 A Yes, you're right.

12 Q Who told you that you were being -- going to be  
13 put in -- you would be switched with Mr. Baldwin?

14 A J. R. Wells.

15 Q What did Mr. Wells say to you about the reason  
16 for that change, Mr. Allum?

17 A Says you are going to be -- he asked me how I  
18 felt about moving into welding inspection.

19 Q What did he say?

20 A Asked me how I felt about it.

21 Q Okay. What did you say back?

22 A I liked the idea.

23 Q Okay. Fine.

24 A And that's basically what was said.

25 Q All right. What did he say about Mr. Baldwin,

1 if anything?

2 A Nothing.

3 Q You knew Mr. Baldwin was there, right?

4 A Yes.

5 Q And you knew he was over welding inspection,  
6 right?

7 A Yes.

8 Q And did you figure this was going to be both of  
9 you over welding inspection?

10 A No.

11 Q What did you understand was going to happen to  
12 Mr. Baldwin?

13 A That he was going to RT and NDE.

14 Q So he told you something about Mr. Baldwin?

15 A I'm not sure that he did or I'm not sure that  
16 he didn't, either way.

17 Q You don't recall one way or the other, right?  
18 Did you understand that Mr. Baldwin was evaporating or going  
19 some place else or going to switch jobs as it turned out  
20 you did?

21 A I felt we were rotating positions.

22 Q Okay. And there was no explanation of why that  
23 would be a thing to do?

24 A Not that I recall.

25 Q You don't recall any explanation?

1 A No.

2 Q Was just simply announced -- they asked you if  
3 it was okay by you or if you wanted to do it or what you  
4 thought about it, right?

5 A Yes.

6 Q Did you have any other response except to say  
7 it's okay with me in short?

8 A That's some of it.

9 Q Okay. Did you ask him any questions about why  
10 he was doing it?

11 A No.

12 Q You didn't ask him what was going to happen  
13 to Mr. Baldwin?

14 A No.

15 Q Okay. Now, look at this document, Mr. Allum.  
16 Mr. Davison's recommendations to Mr. Wells. There is at  
17 the bottom -- it says. Do you see that part?

18 A Yes.

19 Q There is at the bottom -- says reasoning. Do you  
20 see that part?

21 A Yes.

22 Q Okay. As to Number 1 -- and that is the transfer  
23 of Beau Ross to Oconee, et cetera, or alternatives, to be  
24 fair. That's the shorthand, the explanation under Number 1  
25 is removed Beau who management sees as a block to

1 communications. The explanation for Number 2 -- and that is  
2 Mr. Baldwin's and your switch -- is removed Charles who  
3 inspectors see as a block to communications.

4 Did Mr. Wells explain to you that the inspectors  
5 saw Charles Baldwin as a block to communications?

6 A I don't think they did. He may have but I don't  
7 recall that.

8 Q You don't recall discussing the communications  
9 issue or how inspectors would feel about the switch?

10 A No, I can't say as I did.

11 Q Okay. Do you remember discussing the substance  
12 of that issue -- the reason for your job change, the reason  
13 for Mr. Baldwin's job change, or the communications issue,  
14 if you will, with Mr. Davison at about that time?

15 A No.

16 Q Did you and Mr. Davison talk about your job  
17 change at all?

18 A I don't know that we did. He may have asked  
19 me how I felt about it. Informal communications but  
20 as far as specifics about it, I don't recall any.

21 Q Do you recall any generalities about it at all?

22 A No.

23 Q Do you recall Mr. Davison having any input at all  
24 into -- if you will, preparing you for this job change?

25 A No.



1 Q Okay. You had some conversation but it would  
2 have been very informal?

3 A Yes.

4 Q And you don't remember the details?

5 A I don't remember the conversation.

6 Q Fine.

7 A I am not saying that there was one.

8 Q Okay. Fine. But Mr. Baldwin, let's turn to you,  
9 sir. You have the same documents available to you. Maybe  
10 you can hand it over.

11 A (WITNESS BALDWIN) Yes, sir.

12 Q Have you seen it before?

13 A No, sir.

14 Q You just heard the exchange between Mr. Allum  
15 and myself, so I will save you a little bit of time.  
16 Were you aware that your transfer was being recommended  
17 by Mr. Davison?

18 A No, sir.

19 Q Okay. Not until just now?

20 A I was aware of it when he called a meeting of  
21 the welding inspectors -- Mr. MOrgan and Myself -- on  
22 Friday evening. I don't recall the date.

23 Q About when would it have been, sir?

24 A Pardon me?

25 Q About when would it have been?

1 A Sometime after this letter was written.

2 Q Early January do you think?

3 A Probably. Yes. I think in early January.

4 Q 1982. Okay. And Mr. Davison called that meeting  
5 and what was said if you can recall?

6 A Basically he said that Mr. Allum and I were  
7 switching areas of responsibility to improve communications.

8 Q Okay. Was Mr. Allum present at that meeting?

9 A No, sir. He wasn't at the job that day as I  
10 recall.

11 Q All right. And was Mr. Ross in that meeting?

12 A Yes.

13 Q Okay. And so the first level supervisors and then  
14 you were the second level supervisor?

15 A Yes.

16 Q And then Mr. Davison?

17 A Yes, sir.

18 Q I'm sorry. Mr. Morgan?

19 A Yes, sir.

20 Q What was Mr. Morgan's position?

21 A I believe Mr. Morgan's position -- I was  
22 reporting directly to Mr. Morgan at that time. I believe  
23 his title was the senior QA engineer.

24 A (WITNESS MORGAN) Project QA engineer.

25 Q And Mr. Davison was above you?

1 A That's correct.

2 Q Okay. Now, did Mr. Davison or Mr. Morgan shed any  
3 more light on this point about improving communications,  
4 Mr. Baldwin?

5 A (WITNESS BALDWIN) That was essentially the  
6 point of the meeting.

7 Q Okay. What did he say about it?

8 A That was it. To improve communications.

9 Q Okay. Well, we have heard a lot of talk about  
10 communications now. We are trying to figure out exactly  
11 what that means he had in the context used by Duke and  
12 in this setting. You're there, Mr. Baldwin, and Mr. Ross  
13 is there and obviously you have some history one way or the  
14 other. What did you understand him to be talking about  
15 as far as communications?

16 A At the time it appeared in the context of the  
17 meeting that I was the communications problem. That's  
18 what I understand.

19 Q Okay. In fairness, Mr. Baldwin, did you have  
20 a chance to defend yourself?

21 A After the meeting I discussed with Mr. Davison.

22 Q Okay. And that's the first time you had hear  
23 it -- at the meeting?

24 A As I recall, yes.

25 Q Okay. Did you object to the transfer?

1 A No, sir.

2 Q Okay. I mean it was -- it was an accomplished  
3 fact. I mean your supervisor two up had just told you  
4 that you were going to switch with Mr. Allum. Did he ask  
5 you whether you wanted to or was it just an announcement?

6 A It was an announcement.

7 Q Okay. In your subsequent conversation with  
8 Mr. Davison then did you ask him what -- you know -- what the  
9 problem was or words to that effect?

10 A I don't really recall --

11 Q Okay.

12 A -- exactly what the conversation was. Yes,  
13 I'm sure I did but I'm not sure exactly what questions I  
14 asked him.

15 Q Okay. Did you get the impression or come away  
16 with the understanding, Mr. Baldwin, that it had been  
17 concluded by the powers that be, Mr. Davison, whoever --  
18 that you had done something wrong?

19 A Yes.

20 Q And did he give you any details of what that  
21 was?

22 A Not that I recall. Maybe he did. I'm not  
23 sure.

24 Q Did you ever get anything in writing, Mr. Baldwin,  
25 about that? About that subject?

1 A No, sir.

2 Q I mean he didn't say well -- you know -- I will  
3 give you a detailed explanation in writing and, Charles,  
4 here it is, sometime later explaining what I mean -- what  
5 you have done wrong?

6 A No, sir.

7 Q Okay. Now, Mr. Baldwin, you and Mr. Davison  
8 had worked together in earlier times at Catawba. Is it  
9 fair to say as I understand from some earlier talk we had  
10 on the subject that both you and Mr. Davison were involved  
11 in the technical review of the work of welding inspectors?

12 A Yes, sir.

13 Q Okay. And is it fair to say that part of that  
14 technical review that both you and Mr. Davison were involved  
15 in included both of your participation in the review of  
16 proposed NCI's if you will?

17 A I only became involved in the technical review  
18 of NCI's or proposed NCI's after Mr. Davison was transferred  
19 I believe to -- was transferred to the general office as  
20 project QA manager. I believe that was in February of '81,  
21 and he left. I was assigned the responsibility of doing  
22 the technical review of the proposed NCI's.

23 Q And before that, Mr. Davison did it; is that right?

24 A Yes.

25 Q Okay. And is it fair to say that you learned how

1 to do the job from Mr. Davison?

2 A I don't think that's fair.

3 Q Okay. Well, I think I -- I tried to use those  
4 words in your deposition, but is it fair to say that  
5 Mr. Davison -- that you had a chance to observe Mr. Davison  
6 performing that function before you took sole responsibility  
7 for that. Is that fair?

8 A That's not entirely fair. No, sir. Because he  
9 did the review of the NCI's in his office, and my area  
10 of work was separate from his.

11 Q Isn't it fair to say, Mr. Baldwin, that in times  
12 past before Mr. Davison went to Charlotte, that oftentimes  
13 welding inspect -- welding inspectors and sometimes their  
14 supervisor would come to you and you in turn would go to  
15 Mr. Davison and you and a group would review proposed  
16 NCI's?

17 A I don't recall any specific instance of that  
18 happening. No.

19 Q I think I asked you that question in general,  
20 and you told me that happened. I am not referring to  
21 specifics. Did that not happen?

22 A It might have. I don't know. It could have  
23 happened. I don't recall that.

24 Q Well, isn't it fair to say that Mr. --  
25 Mr. Baldwin, we see your initials through a lot of the

1 technical concerns. CRB says this or that or -- and we  
2 see CRB and LRD through a number of them. Isn't that a  
3 shorthand reflection of the fact that in a number of  
4 instances both you -- Charles Baldwin and Mr. Larry Davison --  
5 participated in a number of the technical decisions, reviewing  
6 proposed NCI's or reviewing in some fashion the work of the  
7 welding inspectors?

8 A No. I think that's a misperception of that.  
9 That is not true.

10 Q Help me. Can you help me understand how I am  
11 misunderstanding, please?

12 A In my review of the concerns, you know, I see  
13 where Mr. Davison is mentioned directly or specifically on  
14 some of the concerns and by other inspectors I am mentioned  
15 specifically on the same concern, so I think it was a  
16 perception of each welding inspector.

17 (Pause.)

18 Q Let's focus very clearly on the -- on the practice  
19 of -- of verbal voiding of NCI's, Mr. Baldwin. Now, what  
20 I mean by that, you used that term in your direct testimony.

21 A Yes, sir.

22 Q And it's a practice that you participated in  
23 when you were at Catawba, isn't it?

24 A I think it's a -- I think that practice is really  
25 not the correct description of that. I have verbally voided a



1 few nonconforming item reports that were submitted by the  
2 welding inspectors.

3 Q You didn't think up that -- that procedure  
4 yourself, did you, Mr. Baldwin? Mr. Davison did that before  
5 you?

6 A I am not sure what he did before me. I know what  
7 the procedure of Q1 is as I interpreted that.

8 Q You didn't have an opportunity to observe  
9 Mr. Davison when he was on site at Catawba verbally voiding  
10 NIC's?

11 A I am not sure how he did that. No, sir.

12 Q You never participated in the process with  
13 Mr. Davison or observed Mr. Davison verbally void an NCI?

14 A I never participated with him in voiding an  
15 NCI, verbally voiding an NCI.

16 Q And you don't recall him doing it?

17 A Not that I recall.

18 Q How did you come to understand that it was a  
19 proper practice then when you took over?

20 A By reading the procedure.

21 Q You didn't get an instruction from Mr. Davison  
22 how to do it?

23 A No, sir.

24 MR. GUILD: If I could have a moment, Mr. Chairman.

25 (Pause.)



1 MR. GUILD: Mr. Chairman, how about if we take  
2 about a five-minute break?

3 JUDGE KELLEY: We were thinking about eating  
4 lunch at 12:30.

5 MR. GUILD: How about we do that? This would  
6 be a good stopping point for me. I am trying  
7 to frankly find a portion of Mr. Baldwin's deposition  
8 to either refresh his recollection a little better or  
9 refresh mine, and I could use a break.

10 JUDGE KELLEY: Let's come back at 1:15. Take  
11 a lunch break.

12 (Whereupon, at 12:08 p.m., the hearing was  
13 recessed for luncheon, to reconvene at 1:15 p.m.  
14 this same day.)  
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UNITED STATES OF AMERICA  
NUCLEAR REGULATORY COMMISSION

BEFORE THE ATOMIC SAFETY AND LICENSING BOARD

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In the Matter of: )

DUKE POWER COMPANY, ET AL. )

(Catawba Nuclear Station, )

Units 1 and 2) )  
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Docket Nos. 50-413 OL

50-414 OL

ASLBP No. 81-461-01-0L

U.S. District Court  
Old Post Office Building  
Second Floor  
Caldwell & Main Streets  
Rock Hill, South Carolina

Tuesday, October 25, 1983

The hearing in the above-entitled matter reconvened,  
pursuant to recess, at

BEFORE:

JAMES L. KELLEY, ESQ. Chairman  
Atomic Safety and Licensing Board  
U. S. Nuclear Regulatory Commission  
Washington, D. C. 20555

RICHARD F. FOSTER, Member  
Atomic Safety Licensing Board  
U. S. Nuclear Regulatory Commission  
Washington, D. C. 20555

PAUL W. PURDOM, Member  
Atomic Safety and Licensing Board  
U. S. Nuclear Regulatory Commission  
Washington, D. C. 20555

1     APPEARANCES:

2     On Behalf of the Applicant:

3     J. MICHAEL MC GARRY, ESQ.  
4     ANNE W. COTTINGHAM, ESQ.  
5     Debevoise & Lieberman  
6     1200 17th Street, N.W.  
7     Washington, D.C.

8     -and-

9     ALBERT V. CARR, ESQ.  
10    RONALD L. GIBSON, ESQ.  
11    Duke Power Company  
12    422 South Church Street  
13    Charlotte, North Carolina 28242

14    On Behalf of the Regulatory Staff:

15    GEORGE E. JOHNSON, ESQ.  
16    Office of the Executive Legal Director  
17    Nuclear Regulatory Commission  
18    Washington, D.C. 20555

19    -and-

20    BRADLEY JONES, ESQ.  
21    Regional Counsel, Region II  
22    U.S. Nuclear Regulatory Commission  
23    Washington, D.C. 20555

24    On Behalf of the Intervenor:

25    ROBERT GUILD, ESQ.  
26    MICHAEL LOWE, Director  
27    Palmetto Alliance  
28    P.O. Box 12097  
29    Charleston, South Carolina 29412

30    On Behalf of the State of South Carolina:

31    RICHARD P. WILSON, ESQ.  
32    Assistant Attorney General  
33    P.O. Box 11549  
34    Columbia, South Carolina 29211

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## 1 AFTERNOON SESSION

2 (1:23 p.m.)

3 Whereupon,

4 LARRY DAVISON,

5 ROBERT A. MORGAN,

6 ARTHUR E. ALLUM,

7 CHARLES R. BALDWIN,

8 and

9 JOE C. SHROPSHIRE,

10 resumed the stand, and having been previously duly sworn,  
11 was examined and testified further as follows:

## 12 CROSS-EXAMINATION (Continued)

13 JUDGE KELLEY: Back on the record. Just a  
14 couple of quick administrative matters. We had considerable  
15 discussion this morning about the switching of the courtroom  
16 engagement. What we would like to do is switch Friday  
17 until next Tuesday, which will be, say, we will be off  
18 this Friday. We will finish Thursday afternoon of this  
19 week. But instead of the three-day week we planned for  
20 next week, we will have a four-day week and start on  
21 Tuesday instead of Wednesday.

22 The usual times will apply. We will quit  
23 Thursday at 5:00 o'clock -- or we will not quit early  
24 Thursday, is another way of putting that. We will start  
25 next Tuesday at 9:30, like we did today.

I N D E XWITNESSES:

<u>Direct</u>	<u>Cross</u>	<u>Redirect</u>	<u>Recross</u>	<u>Board</u>
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LARRY R. DAVISON	4379			
ROBERT A. MORGAN	4379			
A. E. ALLUM	4379			
CHARLES R. BALDWIN	4379			
JOE C. SHROPSHIRE	4379			

E X H I B I T SFor Ident.Received

Applicant's No. 22	4370	4370
Applicant's No. 23	4414	4414
Palmetto No. 50	4509	4509
Palmetto No. 51	4509	4509

The court reporters were handed no copies of any of the foregoing exhibits.

1 On the other subject of the courtroom,  
2 Judge Chappell was in again this morning. We established  
3 what his need was. He just needs his court next Monday.  
4 We have decided that the sensible thing for us to do  
5 is to accept the judge's offer for the month of November  
6 in his courtroom, and we are going to do that via a  
7 letter to the Court tomorrow.

8 It will say essentially that we would like  
9 the facilities through November minus Thanksgiving week.

10 Also, it will state an expectation at the  
11 end of that to leave for Charlotte, thinking of the  
12 technical issues Mr. Riley requested. We don't  
13 want this to hang afire any longer. We have to be  
14 able to make plans. That's what we intend to do.

15 Now, I suppose if someone comes up with a  
16 very fine courtroom in mid-November, there is a renewed  
17 desire to move, we can look at that as and when that  
18 happens. But we don't want to depend on it.

19 So we think that is the best way to go to  
20 give us a certainty of what we intend to do.

21 MR. GUILD: Mr. Chairman, there has been some  
22 inquiry about, perhaps, a limited appearance session in  
23 Charlotte during the month of November.

24 Could the Board entertain that?

25 JUDGE KELLEY: We could certainly consider that.

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1                   We don't mean to rule that out. We could have  
2 a hearing session down here and go up there in the  
3 evening. We certainly intend to have one. We would  
4 have one in November, December, but on what I just said,  
5 we have an open mind on that subject.

1           Okay. So I think we can pick up then, Mr. Guild,  
2 if you want to resume.

3           MR. GUILD: Yes. Thank you, Mr. Chairman. I  
4 just received a copy of the performance plan worksheet for  
5 Mr. Davison, and I don't intend to examine him about it  
6 at this point, I need some time to review it, but it was  
7 distributed, Mr. Chairman.

8           JUDGE KELLEY: Thank you.

9           (Pause.)

10          MR. GUILD: And, Mr. Chairman, before I begin,  
11 if the record could reflect that Ms. Garde, Billie Garde,  
12 of the Government Accountability Project, is sitting at  
13 counsel table and assisting me.

14          JUDGE KELLEY: All right.

15  
16          BY MR. GUILD:

17          Q       All right. Mr. Baldwin, I believe before  
18 the break, you related that at the time when both you and  
19 Mr. Davison were at the site prior to his transfer to  
20 Charlotte, that Mr. Davison worked out of the office I  
21 think you said. Something about the office and that you  
22 I guess by distinction worked some place else. Help me  
23 understand what you meant by that.

24          A       (WITNESS BALDWIN) Mr. Davison had his own  
25 private office, and I worked in an office separate from his



1 with othe people in the QA Department.

2 Q Were you in separate parts of the facility?

3 A No. We were essentially in the same location  
4 in the construction office.

5 Q You were both in the same building, right?

6 A Yes.

7 Q And he was down the hall from you?

8 A Just around the hall.

9 Q Around the hall. Okay. He wasn't in a location  
10 that was remote from you, was he?

11 A No, sir.

12 Q And in fact, when QC inspectors came from the  
13 field, either directly themselves, or through their  
14 supervision, the first line supervision, Mr. Davision was  
15 accessible to them just about as easily as you were in terms  
16 of physical location?

17 A As I recall, you know, if the inspector had a  
18 question or something that -- or had written up a question  
19 on the nonconforming item report, usually he would go through  
20 his immediate supervisor, and they would discuss that.  
21 Then the supervisor would come directly to Mr. Davison and  
22 bypass me. That was the usual procedure.

23 Q I am sorry. They bypassed you?

24 A Yes, sir. Normally.

25 Q You were in their line of supervision?

1 A Yes, sir.

2 Q Why would they bypass you?

3 A Because I didn't have any responsibility for  
4 reviewing the nonconforming item report or the questions  
5 were documented on the nonconforming item report.

6 Q You didn't have any responsibility for reviewing  
7 the proposed NCI for -- I think the term has been used  
8 for completeness, clarity and validity?

9 A No, sir.

10 Q That is what Mr. Davison did when he was there?

11 A Yes, sir.

12 Q Okay. And I think you just got done telling me  
13 that after Mr. Davison left, you took on that responsibility,  
14 isn't that right?

15 A Yes, sir.

16 Q Okay. But that -- to the extent that you took  
17 on that responsibility, you did so without any training or  
18 direction from Mr. Davison?

19 A Yes, sir.

20 Q Okay. Mr. Davison, directing your attention to  
21 the deposition I took with you this summer where I asked  
22 you questions on this subject -- I am sorry. Mr. Baldwin  
23 I meant to say.

24 Do you remember me talking about this subject  
25 this summer in your deposition, Mr. Baldwin?

1 A Yes, sir.

2 Q I am looking at Page 99, Line 9, in the  
3 question, Where does it state in the procedure that if  
4 you in your stage of the review determine that the NCI  
5 is nonvalid, that it should be destroyed or that it was  
6 determined that being nonvalid, that it should not be  
7 handled the way that it is handled -- there is a paragraph  
8 reference in the 5.1.4 -- that is, completed, signed,  
9 and filed for no further answer?

10 Answer: I didn't determine it to be nonconforming  
11 item or valid NCI or a nonconforming item report until it  
12 was serialized. I felt the supervision had the responsibility  
13 to review what the inspector was doing, to give him direction.

14 Question: Without writing the matter up?

15 Answer: Yes.

16 Question: Is it your opinion, Mr. Baldwin, that  
17 the procedure you followed was consistent with the provisions  
18 of Q1?

19 Answer: I felt that it was at the time.

20 Here is what I want to direct your attention to.  
21 This is Line 24, Page 99. Did any of your supervision  
22 ever instruct you to follow the procedure you did follow  
23 and provide you guidance to the effect that that procedure  
24 was consistent with Q1? And your answer then, Mr. Baldwin,  
25 was -- Line 2, Page 100. The procedure I followed was the

1 procedure that had been followed by the responsible party  
2 prior to my having the responsibility of doing the  
3 technical review. So I didn't have any reason to feel  
4 really that was my interpretation. I felt that I was  
5 following the procedure.

6 Question: It had been done prior to your doing  
7 it that way?

8 Answer: Yes.

9 Question: Who had done it prior to -- who had  
10 done it before that that you are aware of?

11 Answer: Larry Davison.

12 Now, did you ever tell me that?

13 A (WITNESS BALDWIN) Yes.

14 Q Was that the truth?

15 A Yes, sir.

16 Q And it's the truth now? That Mr. Davison  
17 instructed you that that was the proper way to follow the  
18 Q1 procedure?

19 A He didn't instruct me on how to follow the  
20 procedure.

21

22

23

24

25

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1 Q He did it before you, right?

2 A He did it before me.

3 Q You knew that he did it that way before you?

4 A I knew he followed the same procedure, the  
5 procedure of Q-1 that I followed.

6 Q Your testimony this summer, as I just read,  
7 was that Mr. Davison established the interpretation  
8 of the procedure Q-1 that authorized the verbal  
9 void of NCI's, and you followed on Mr. Davison's heels.

10 A Your question that you asked me in my  
11 deposition was not related to verbally voiding any  
12 NCI's. I did not answer that question in that respect.

13 Q Did I read it out of context?

14 A Verbally voiding NCI's wasn't mentioned in  
15 your question that you asked me when I was giving the  
16 deposition, as I recall.

17 Q You just heard the questions I asked, didn't  
18 you?

19 A Yes, sir. I don't believe you mentioned  
20 verbally voiding.

21 Q I didn't use that word. Didn't I say --

22 A Followed the procedure. I followed the same  
23 procedure because the same procedure was in existence at  
24 the time.

25 Q Yes. Well, you don't want to change the

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1 testimony, do you?

2 A No, sir.

3 Q Your testimony was true when you gave it  
4 in your deposition?

5 A Yes, sir.

6 Q Your testimony is true today; isn't it?

7 A Yes, sir.

8 Q And it is true with respect to Mr. Davison's  
9 role in terms of instructing you on how to comply with  
10 procedure Q-1 as it then existed --

11 A He did not instruct me. I did have  
12 communication with Mr. Davison on the questions that came  
13 up that he felt I should be involved in, technical  
14 questions or procedural questions. But as far as any  
15 instruction on how to implement procedure Q-1, I did not  
16 have any instruction from him.

17 Q Well, sir, I think that the testimony, if  
18 there is something that was unclear about the way I  
19 stated the question in your deposition, or if your  
20 answer there was not completed truthfully, I want to give  
21 you a full opportunity to change it now.

22 Would you like to examine your deposition  
23 testimony? Because I believe it stands for the proposition  
24 that I just advanced.

25 MR. MC GARRY: We object to this line of

1 questioning. First, it is argumentative. Second, it  
2 is repetitive. The witness has answered the direct  
3 question. He stands by his testimony both in the  
4 deposition and stands by his testimony given in this  
5 hearing.

6 MR. GUILD: I would like the witness to  
7 state that for himself. I don't mean to be argumentative  
8 about it. I thought I asked the question properly  
9 before lunch and elicited an answer that was directly  
10 contrary to the answer I read in the sworn deposition  
11 testimony.

12 If the witness has any further amplification  
13 or addition, I want him to do that now. I will let him  
14 read the deposition in context, if you would like him  
15 to do that.

16 JUDGE KELLEY: These matters are rather  
17 complicated. If there is some different terms used, if  
18 you are certain that you understand the material read  
19 to you, and you are comfortable with what you said, and  
20 you want to stand on that, you can stand on it.

21 I think Mr. Guild's offer that he look over  
22 the part that was read to him, if he wants to, is  
23 a reasonable offer.

24 Would you like to do that, or are you  
25 comfortable with what has been said?



1 WITNESS BALDWIN: Your Honor, at this time,  
2 I really don't have any question about my deposition  
3 or my testimony. I understood that the question during  
4 the deposition was, I followed the procedure that  
5 Mr. Davison followed, which was procedure Q-1.

6 And that was my understanding of the question  
7 in the deposition.

8 Mr. Davison has not given me any specific  
9 directions or instructions on how to verbally void or  
10 if -- I haven't discussed verbally voiding NCI's at  
11 all prior to my responsibility or becoming responsible  
12 for the technical review with Mr. Davison, that I recall.

13 JUDGE KELLEY: Well, my question to you is,  
14 are you declining Mr. Guild's offer to read the deposition?

15 WITNESS BALDWIN: I don't feel it is necessary.

16 JUDGE KELLEY: You are declining that offer?

17 MR. GUILD: That's fine. Thank you.

18 BY MR. GUILD:

19 Q Now, Mr. Baldwin, having stood by that  
20 testimony, I want to direct your attention again to the  
21 meeting you had with Mr. Davison, first, with all the  
22 other welding inspecting supervision, and the meeting  
23 you had subsequent with him in private in January of 1982.

24 Can you hear me all right?

25 A (WITNESS BALDWIN) Yes.



1                   What private meeting? I am not recalling.

2                   Q       Let me start again.

3                   You told me earlier that Mr. Davison met  
4 with the welding inspector supervisors, including you,  
5 probably in early January to tell you that you and Mr. Allum  
6 were going to switch jobs; right?

7                   A       Yes, sir.

8                   Q       After that meeting, you went and talked  
9 with Mr. Davison by yourself.

10                  A       Yes, sir.

11                  Q       That's what I am referring to.

12                  Now, directing your attention to those two  
13 meetings, the meeting at which I understood you to  
14 conclude that Mr. Davison had in short told you you had  
15 been doing something wrong, what I want to know is,  
16 now having talked about your previous deposition  
17 testimony and the testimony in your prefiled direct about  
18 verbally voiding NCI's, did your practice as described  
19 in this deposition, or the verbal voiding of NCI's,  
20 if you understand it to be something different, did it  
21 form any part of your understanding of what Mr. Davison  
22 was telling you that you had done wrong that was the basis  
23 for your transfer out?

24                  A       I didn't relate the NCI program at all to the  
25 reason for my transfer to the other position from the

1 other area of responsibility.

2 Q Did Mr. Davison --

3 A Does that answer your question? I am not  
4 sure I completely understood your question.

5 Q I heard you tell me it had something to do  
6 with communication. That was your best understanding,  
7 that there was some fault on your fault about communication;  
8 is that right?

9 A Yes, sir.

10 Q Now, the company people used this term  
11 "communications" to cover, if I can say, a multitude  
12 of sins. I don't mean that in the precise use of the  
13 word. It covers a variety of things.

14 Mr. MC GARRY: I object to the characterization.

15 MR. GUILD: I withdraw the characterization.  
16 I just want to try to get the meat of this.

17 BY MR. GUILD:

18 Q The communication covers a wide variety of  
19 things, if you will.

20 But one of the things it seems to cover is  
21 the exchange between a welding inspector and you,  
22 Mr. Baldwin, and a welding inspector and Mr. Davison,  
23 the communications that either does or does not take  
24 place around the issue of verbally voiding an NCI or around  
25 the issue of resolving an NCI that has been validated.

10  
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1                   What I want to understand, Mr. Baldwin, is  
2 did Mr. Davison in any way, shape or form communicate  
3 to you that part of the wrong that he found with respect  
4 to your performance had anything to do with communication  
5 about NCI's?

6           A       (WITNESS BALDWIN): No, sir.

7           Q       Then what did it have to do with?

8           A       It had to do with the relationship of the  
9 first-line supervisor and myself on how well we were  
10 communicating and resolving problems or questions that  
11 were asked of the inspectors.

12          Q       Okay. Mr. Ross?

13          A       Yes.

14          Q       Isn't the work one of the frequent subjects  
15 of those communications, Mr. Baldwin, between you and  
16 Mr. Ross, and between you and Mr. Ross and his inspectors?

17                   Isn't it the subject of whether or not  
18 deficiencies that they identify were properly NCI's?

19          A       That happened on occasion. But that wasn't  
20 the only questions that were asked by Mr. Ross.

21          Q       I am sure it wasn't. But you have seen the  
22 technical concerns. You know that time and time again  
23 the issue was raised about whether the verbal voiding of  
24 NCI's or the resolution of NCI's to accept the work as is  
25 of the NCI process forms, one of the central subjects of

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1 miscommunication, if you will, doesn't it?

2 A Yes.

3 But I think that to put it more in perspective,  
4 I think you have to understand the number of questions  
5 that were being asked.

6 This really doesn't represent -- it only  
7 represents a small part of the questions that were asked.  
8 So this really wasn't the major part of the major function  
9 in my job and communicating with the first-line supervisor,  
10 Mr. Ross.

11 Q That's fair. Does it also include other  
12 means for documenting deficiencies such as the R-2  
13 procedure or the process control, but essentially  
14 includes a lot of emphasis on identifying deficiencies;  
15 doesn't it?

16 A The concerns that you have, like I say,  
17 is not a clear -- you know, that doesn't present the  
18 true picture.

19 That's only a small portion of the decisions  
20 that are made daily on the job, or any period of time.  
21 So a lot of discussions between Mr. Ross and I were on  
22 how to handle discrepancies.

23 Q Right.

24 A How to document discrepancies.

25

1 Q I mean I don't want to misunderstand, so please  
2 tell me if I am. But it seems to me, Mr. Baldwin, that  
3 the meat of the work of an inspector is to identify  
4 deficiencies, rejectable items, failure to follow procedure,  
5 deficient work practices. That is what a quality control  
6 inspector does and so it would seem to follow if  
7 communication problems exist between inspectors and their  
8 supervision, that a significant part of them are going  
9 to have to do with that piece of their work, and that is  
10 identifying deficiencies

11 A (WITNESS BALDWIN) Yes, sir.

12 Q And is it fair to understand that if you were  
13 being faulted for something to do with communications,  
14 that a significant part of the subject of those communications  
15 was work deficiency?

16 A I didn't really understand it that way, Mr. Guild.

17 Q Okay. Help me. What was the subject of the  
18 communication, if it wasn't deficiencies that were  
19 identified by QC people?

20 (Pause.)

21 A I really don't have an answer for that at this  
22 time.

23 Q Okay.

24 A (WITNESS DAVISON) I maybe can add something.

25 Q Yes, please do, Mr. Davison.

1           A       At that time period when I made the recommendations  
2 to Mr. Wells to make that switch, I indicated that I felt  
3 like that the inspection -- inspectors group saw  
4 Mr. Baldwin as some type of block to communications.  
5 Perhaps Mr. Baldwin saw Mr. Ross as a block to communications.  
6 Not that communications were not occurring. I think they  
7 were occurring, but there was some tension there in those  
8 communications.

9           My recommendation simply was to rotate Mr. Baldwin  
10 and Mr. Allum so that any perceived block could be removed  
11 and the line of communications opened up.

12          Q       That's what happened, right?

13          A       Yes.

14          Q       In fact, Mr. Baldwin and Mr. Allum's positions  
15 were switched?

16          A       Yes.

17          Q       As a result of your recommendation?

18          A       Yes.

19          Q       Okay. That didn't solve the communication  
20 problem, though, did it Mr. Davison?

21          A       I think that opened the lines of communication  
22 at that time. Yes. I think it went a long way toward  
23 improving communications.

24          Q       Um-hum. Why did you pick Mr. Allum as the person  
25 to solve the communications problem that the inspectors

1     apparently perceived and attached to Mr. Baldwin personally?

2           A       Mr. Allum's background in welding and  
3     nondestructive examination qualified him to serve in that  
4     position and, of course, Mr. Baldwin's background also  
5     qualified him, and both of them had served in positions  
6     over both of those groups at times in the past, and that  
7     was a very logical switch to make. If there were an element  
8     of personality or feelings had been built up at that point  
9     in time, that appeared to be a switch that could be made  
10    that would remove those feelings or personality elements,  
11    and they was to overcome those at least as a block to  
12    communications.

13          Q       Um-hum. Well, did you identify particular  
14    strengths in communication skills that Mr. Allum had that  
15    you thought would solve the problem?

16          A       No. There were no -- no basis in saying Mr. Allum  
17    has particular strengths in that area.

18          Q       In retrospect, Mr. Davison, didn't you think --  
19    you bring things up in more current history -- in fact  
20    you concluded that Mr. Allum had the weaknesses in  
21    communications himself and that in part on the basis of  
22    those weaknesses, he was transferred one more time and  
23    someone else was put in over the welding inspectors?

24          A       No, sir. That is not correct. Mr. Allum was  
25    not transferred on the basis of the weaknesses in



1 communication. As part of the evaluation of people that  
2 I'm responsible for that work in my organization, there  
3 are weaknesses identified from time to time, and there  
4 are areas for improvement, and one of those happens  
5 to be communications for Mr. Allum. That is not the reason  
6 why his position was changed in July of this year.

7 Q You did identify weaknesses on Mr. Allum's  
8 part in his communication, didn't you?

9 A Yes, I did.

10 Q All right. And his communication with respect  
11 to Mr. Ross and the welding inspectors?

12 A Yes, I think there was some weakness on both sides  
13 there.

14 Q Um-hum. Now, Mr. Allum, what did you know  
15 about Mr. Ross and his crew when you came on as his  
16 supervisor, as Mr. Ross' supervisor, as the result of  
17 this switch with Mr. Baldwin?

18 A (WITNESS ALLUM) I didn't know much except  
19 what the work assignments were, the areas that they were  
20 going to be assigned to.

21 Q All right.

22 A But basically that was it.

23 Q Were you aware of the existence of the concerns  
24 expressed by Mr. Ross and the welding inspectors who worked  
25 under him?



1           A       Yes. I became familiar with them. Either  
2 at the time that I went in that position or shortly  
3 thereafter.

4           Q       About that time though, right?

5           A       Yes, sir.

6           Q       About early 1982?

7           A       Yes, sir.

8           Q       It didn't take you until the task force reports  
9 that came out or until the NRC did their investigation to  
10 figure out that Mr. Ross and his crew had been the source  
11 of a number of work related concerns?

12          A       No. I knew at that time.

13          Q       Did you know generally about the existence and  
14 the nature of those concerns when you took the job as  
15 Mr. Ross' supervisor?

16          A       No, no, I didn't.

17          Q       All right. They sort of threw you into the  
18 frying pan. Did they say anything to you, your supervision,  
19 about the fact that you were going to take responsibility  
20 to supervise Mr. Ross and his crew and that they had been  
21 the source of a number of work related concerns?

22          A       I don't think it was communicated to me.

23          Q       How was it communicated to you?

24          A       That I was going into the welding inspection area  
25 and there had been concerns voiced in welding inspection.

1 There was no identification saying these concerns are  
2 identified through Mr. Ross or Mr. Ross' crew. It was  
3 welding inspector concerns.

4 Q That's what I want to focus on, and I appreciate  
5 your telling me -- you know -- if you didn't identify them  
6 personally, were Mr. Ross or his crew, the crew that  
7 you were going to supervise -- I -- among the crews -- among  
8 the crews that you were going to supervise? I guess what  
9 I want to know, Mr. Allum, is should we presume that you  
10 went into this job more or less blind or did you go into  
11 it with your eyes open with some kind of information from  
12 your management about what to expect from them, meaning  
13 Mr. Ross and his crew -- and what your management should  
14 expect from you, Mr. Allum, in taking on this new job  
15 assignment?

16 A I think what was communicated to me was that  
17 I was going into the welding inspection area and that we  
18 had concerns in that area. There was direction on how  
19 to communicate to the people or what to receive from them --  
20 I didn't get that information.

21 Q All right.

22 A As far as saying I went into it blind, I knew  
23 there were problems. I there was a rosy picture painted, no.

24 Q What I want to know -- I am not trying to belabor  
25 this point, but obviously we are going to talk about some

1 detail, Mr. Allum, a little bit further down the road; and  
2 what I want to understand is what the source of your  
3 information was. Did you -- was it just scuttlebutt on the  
4 job or did somebody put in your hand, Mr. Allum -- Art, a  
5 set of papers that we have what we know of the concerns of  
6 the people that you are coming in to supervise? What  
7 did you have available for information?

8 A At the time I took the job?

9 Q Close to that point.

10 A At that point I had nothing. When the task  
11 force got back to the welding inspectors, I did sit in on  
12 each of the welding inspector concerns being communicated  
13 to them with the task force.

14 Q Okay. Help me understand what that means.

15 A The task force brought in each individual  
16 welding inspector, went over the concerns, discussed their--  
17 what they found on it, what the task force finding was,  
18 and explained it to them.

19 Q When would that have been, Mr. Allum, about?

20 A Early February I guess. I don't have a time frame.

21 Q This is before they didn't their investigation;  
22 is that right?

23 A No. That was after the investigation.

24 Q After the investigation?

25 A Yes.

1 Q After the technical task force's investigation?

2 A Yes.

3 Q Well, are you just missing a date or are we  
4 talking about a different time frame?

5 A I am missing a date. I don't know exactly when  
6 it was.

7 Q I understood their report to be issued on the --  
8 if I can find the date here. Original issue was March 24th  
9 of the technical task force final report.

10 A Yes.

11 Q Was it before that?

12 A No. That's when it was.

13 Q Okay. So you found out about the concerns in  
14 detail after they had done -- after the technical task  
15 force had gotten them, investigated them, proposed an  
16 implementation plan of certain recommendations, and they  
17 were given feedback to the inspectors?

18 A Yes.

19 Q Okay. All right. To start with I guess the  
20 end first Mr. Allum. You are aware that Mr. Ross filed a  
21 recourse in the spring of 1983 naming you, Art Allum, as  
22 the subject of what he believed was discrimination and  
23 reprisals against him by you for having expressed his  
24 concerns about work?

25 A Yes, sir.

1 Q And complaining about Mr. Ross now -- Mr. Ross  
2 complaining about your evaluation of his work, his --  
3 Beau Ross' work as reflecting such discrimination?

4 A Yes, sir.

5 Q Okay. Now, first of all, explain to me,  
6 Mr. Allum, what was the basis for your negative evaluation  
7 of Mr. Ross?

8 A Mr. Ross' performance.

9 Q How about explaining what you mean by that.

10 A I believe you have a copy of his PPPW.

11 Q Yes.

12 A Which had outlined goals that he was supposed to  
13 meet, that we were going to try to achieve throughout  
14 the year and the grading system that was involved on those  
15 and how each one of them would be looked at if there was  
16 any extenuating circumstances, and we went down through that  
17 evaluation and came up with the number --

18 Q I am sorry.

19 A Came up with the number that fell out as a result  
20 of the review.

21 Q That fell out?

22 A Yes.

23 Q And what is that number?

24 A When we looked at each specific area on the  
25 performance appraisal, we reviewed -- I reviewed with Mr. Ross

1     how I felt he did and how he felt he did. We assigned a  
2     numerical number to that, whether he met the expectations  
3     or not, whether he fell short or whether he exceeded them.

4             (Pause.)

5             Q     And that produced the number?

6             A     Yes.

7             Q     The number fell out. Is that what you are saying?

8             A     Yes.

9             Q     And that is the fair rating, the rating 2?

10            A     The overall rating, a rating of 2. Yes, sir.

11            Q     Okay. Now, you rated Mr. Ross twice, didn't  
12     you?

13            A     Yes.

14            Q     And evaluations --

15            A     Yes.

16            Q     192 and 193?

17            A     Yes.

18            Q     And you gave him a fair rating both times,  
19     didn't you?

20            A     Yes, sir.

21            Q     Had he ever had a fair rating before?

22            A     Not that I know of.

23            Q     He had always had competent rating, hadn't he,  
24     prior to your rating him?

25            A     As far as I know, he has.

1           Q       As far as you know. Okay. And I understand --  
2       you know -- somewhat from heard you say it and others --  
3       the mechanical process, but what I want to know is the  
4       substantive process, you know, the basis if you will --  
5       how after -- if we presume this is a correct statement --  
6       in a long number of years of competent work did you come  
7       to conclude that Mr. Ross was subcompetent in his work,  
8       was only fair, was in the lower twenty -- lowest twentieth  
9       percentile of the work force in the nonexempt classification?  
10      How did you come to reach that conclusion, Mr. Allum?

11           A       In 1981 I believe we came out with a program  
12      where we listed various items of performance that was  
13      expected for each of the people on the exempt payroll at  
14      Catawba QA. These were associated with key result areas  
15      and everyone was graded on the key result areas, how we  
16      felt they met that goal, if they exceeded it or fell below  
17      it or where they fell into the realm of it.

18           Q       Um-hum.

19           A       And Mr. Ross fell below it.

20           Q       Well, Mr. Allum, you are aware that his work had  
21      previously been competent. What was it about his work aside  
22      from the new performance management plan and -- you know --  
23      setting goals and number dropping out -- what was it about  
24      his work that reflected -- if anything -- that his job  
25      performance went down?



1           A       His communication had gone down. Either had  
2 gone down or were never at an acceptable level in that  
3 items that were communicated to him by management were not  
4 present to his employees in the same light that they were  
5 presented.

6           Q       In the same light as what?

7           A       There was a different connotation as to Mr. Ross  
8 spoke to his inspectors about what was said from management  
9 in that it didn't -- it didn't reflect what was said in a  
10 lot of cases.

11          Q       Did he misrepresent what management said to him?

12          A       I think so, yes, sir.

13          Q       By that -- let me be clear. Are you saying that  
14 Mr. Ross knew -- are you saying about what you communicated  
15 to him? Let's be clear about this.

16          A       On occasion. Yes.

17          Q       You are a manager and you are within the sphere of  
18 management over Ross?

19          A       Yes.

20          Q       And you -- when you are talking about management  
21 communicating with Mr. Ross, a lot of times it's Art Allum?

22          A       Yes.

23          Q       So management in the person of Mr. Allum  
24 communicates with Mr. Ross. When you say misrepresentation,  
25 are you saying that Mr. Ross heard you, understood you, and



1 having heard and understood you, continuously mischaracterized  
2 what you said when he communicated to his people?

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j-12a-1

1           A       I am not sure that he went out and made an  
2 effort to lie, if that is your comment is trying to imply.

3                   But he didn't state it as he -- he painted a  
4 different picture, used different colors than the  
5 picture originally painted in.

6           Q       He did that on purpose?

7           A       No.

8           Q       That's what I am asking you.   What did you  
9 conclude as the basis for his evaluation that he did that  
10 on purpose?

11          A       I identified that as an area that he needed  
12 improvement.

13          Q       I am going to focus now on Mr. Ross, and the  
14 message doesn't get through.

15          A       Right.

16          Q       Mr. Allum's message that you are expected  
17 to be communicating to the welding inspector doesn't  
18 get through.

19                   We can say it is possible he didn't understand  
20 you. We can say it is possible that he simply made a  
21 mistake in the way he communicated it. That may amount  
22 to the only choice.

23                   The third choice is he heard you. He  
24 understood you, but he intentionally miscommunicated what  
25 you had to say.

j-12a-2

1                   What I want to know, do you mean the latter  
2 of those, that he intentionally miscommunicated what  
3 you had to say?

4           A        I think that is possible.

5           Q        Did you believe that was true?

6           A        In some cases.

7           Q        Now, tell me what cases.

8           A        When items were discussed such as transfer  
9 policies, how those should be handled, how transfer  
10 requests should be handled, the word was not communicated  
11 back to the people as it was presented, or how it  
12 went out to the other groups who were members of the same  
13 meeting, who heard the same words.

14          Q        Now, let's be clear. You mean transfer of  
15 welding inspectors?

16          A        Yes.

17          Q        Typically, a transfer from construction QA  
18 to operations QA; is that one of the things?

19          A        Yes.

20          Q        A lot of people are in line to do that. They  
21 are looking for transfers anticipating that the construction  
22 QA is going to terminate, going to be done with the job?

23          A        Yes.

24          Q        Is that principally what you are talking about?

25          A        Yes.

j-12a-3

1 Q Now, what was it that you communicated to  
2 Mr. Ross on that subject?

3 A More not so much what I communicated to him,  
4 but what was communicated to his people.

5 For example, one case where a transfer request  
6 was approved for someone in another area, the first-line  
7 supervisor level, at my level, and on up the line,  
8 saying that the first-line supervisor is saying that he  
9 could afford to allow that person to go and not request  
10 him.

11 That was our policy at the time. And we  
12 approved that, and said it could go through.

13 On a further look around, in looking at all  
14 areas of welding inspection, we found we had a shortage  
15 in another area, Beau Ross' area.

16 So we went back and said, "We cannot. We  
17 would have to change our evaluation or recommendation.  
18 We cannot afford to let that man go to another area when  
19 we need him in another crew in inspection."

20 A short time afterwards, another welding  
21 inspector put in a transfer request wanting to go to  
22 another organization.

23 He said at that time that, "I went back to  
24 Beau and said, 'You have an order to acknowledge. Do you  
25 still want to let this individual go out of our area, go

1 to operations?'"

2 And Mr. Ross said, no; he changed his  
3 recommendation.

4 This was communicated to the individual  
5 concerned saying that we had approved any transfer  
6 request of another crew, but they turned it down in  
7 Ross' crew. That was totally incorrect.

8 Mr. Ross was aware that was incorrect. He  
9 knew all the circumstances. However, the welding  
10 inspector involved in the second transfer felt that he was  
11 being singled out because he didn't transfer his request.

12 That could very well, very easily have been  
13 handled by Mr. Ross properly, explaining his actions.  
14 But that didn't happen.

15 Q Now, let's back up. I missed a good bit of  
16 that. I want to see if I understand.

17 Who was the welding inspector that was affected  
18 or concerned?

19 A The person who had put in the original  
20 transfer request was Eddie Teemster.

21 The second one was John Rocco.

22 Mr. Teemster ended up being transferred to  
23 Mr. Ross.

24 So the shortage of Mr. Ross had been  
25 identified.

j-12a-5

1 Q And it was to Mr. Rocco that you are saying  
2 Beau Ross miscommunicated what really would have happened  
3 in terms of the policy by transfer?

4 A Yes.

5 Q Did you explain that was the basis in part  
6 for your negative evaluation of Mr. Ross to Mr. Ross?

7 A No. I explained several examples  
8 to him in the analysis, the position analysis, when we  
9 went through his evaluation on his performance appraisal.

10 Q Right.

11 A We discussed several different items that had  
12 been following us through the year.

13 Mr. Ross agreed that he had these problems.  
14 He agreed that as we said on his performance appraisal,  
15 that there had been a change in his performance somewhere  
16 around the first of November.

17 Q Of what year, Mr. Allum?

18 A 1982. And that his performance had gotten  
19 better after that time.

20 That was also noted on his performance appraisal.

21 Q You are jumping ahead of me, now. I want  
22 to focus on this specific point.

23 Did you inform Mr. Ross that this incident  
24 involving Teemster and John Rocco was in part the basis  
25 for your negative evaluation of him?

j-12a-6

1           A       I am saying that is the type of incident  
2       it was. There are other areas that were identified.  
3       I am not sure of that specific.

4           Q       You are not sure?

5           A       No.

6           Q       Well, this is the one that you picked up  
7       as No. 1. You are not sure whether you communicated that?

8           A       I didn't pick it out as No. 1. I said  
9       this is a typical situation where communications did not  
10      exist.

11                  I did not say that that is the one. That  
12      was specifically identified on his evaluation.

13          Q       Now, didn't it just happen to be the one  
14      you picked as a first example?

15          A       One I happened to think of first.

16          Q       Fine. I understand.

17                  Now, sir, that's an example in the one that  
18      came to your mind as not communicating to his people  
19      regarding the transfer policy.

20                  What other things did Mr. Ross, in your belief,  
21      Mr. Allum, not communicate that were the basis for your  
22      negative evaluation of him?

23          A       When the decision was made and we were going  
24      to commence training, visual inspections in the NDE, he  
25      asked the specific question: "Does this mean that we are

1 going to go back to Cherokee and go back to work there,  
2 or is Cherokee going to start up again?"

3 My answer to that was: "No. What we are  
4 trying to do is better utilize our work force, better  
5 train our people and give them more in-depth knowledge of  
6 the inspection that we are going on."

7 Mr. Ross evidently didn't accept that, as  
8 noted a few days later, and communicated with a member  
9 of management. I don't remember who it was right now.  
10 But someone else asked the same question as if we were  
11 not -- that was not the intent. We are not going to  
12 utilize it. That was at Catawba.

13 Q I am sorry. I don't understand. What did  
14 Mr. Ross miscommunicate in this instance?

15 A That we were singling out the people who  
16 had previously been to Cherokee for training, and that  
17 he felt that this meant we were going back to Cherokee  
18 and restart.

19 Q You told him that wasn't the case?

20 A Yes.

21 Q And he, in spite of your having told  
22 you -- strike that.

23 You told him that wasn't the case. You weren't  
24 going to crank Cherokee up. This wasn't the reason  
25 he heard. You understood he miscommunicated to someone



j-12a-8

1 else in management that, in fact, he understood that  
2 starting up Cherokee was in part the reason for this  
3 retraining?

4 A He asked that question of management, someone  
5 else in management.

6 He communicated to his people. His people  
7 understood that the reason that these people were being  
8 retrained was to get them back to Cherokee.

9 Q So you mean you told him -- one, you gave him  
10 an answer to his question?

11 A Yes.

12 Q But he asked the question again of someone  
13 else in management?

14 A Yes.

15 Q And that's wrong?

16 A He conceded that. He conceded that he had  
17 doubt, or didn't want to accept an answer that was  
18 contrary to what he wanted to hear.

19 What he wanted to hear was going back to  
20 Cherokee and starting the plant up. It was an option  
21 for everyone.

22 That wasn't what he heard. That isn't what  
23 he was supposed to hear. But it was communicated to him.  
24 What was communicated to him was that we were going to  
25 utilize these people at Catawba.

j-12a-9

1 Q Do you know who he communicated that to in  
2 management?

3 A No. As I said, I can't remember who it was  
4 at this time.

5 Q Was Mr. Davison --

6 A I think I said I don't know.

7 Q Okay. I am just trying to refresh you.  
8 I you don't know -- did you write that one up as reflecting  
9 part of the basis for your negative evaluation of  
10 Mr. Ross?

11 A Yes.

12 Q You did?

13 A Yes.

14 Q Where would I find that?

15 A In the performance evaluation sheet.

16 Q This example is noted on the performance  
17 evaluation sheet?

18 A Yes.

19 Q All right. What else did Mr. Ross miscommunicate,  
20 in your opinion, as part of the basis for your negative  
21 evaluation?

22 A Well, that is a typical one.

23 Another area of concern was the other  
24 crews were receiving preferential treatment.

25 Q Let me hold on to this, now. Is this all you

1 used as a basis for your negative evaluation in the area  
2 of communication?

3 A No. That is an example.

4 I said that I think several different things  
5 at the same time refer back to the evaluation. We can  
6 go to those.

7 Q What I'm trying to do is refresh your  
8 recollection, maybe counsel can give it to you. I don't  
9 have it in front of me. What I am trying to understand,  
10 Mr. Allum, is in your mind, the best you recall, what  
11 the basis was for your negative evaluation of Mr. Ross.

12 A That's one area. One item was identified.  
13 That was identified if you look at the performance  
14 appraisal, several different items that were addressed.

15 One of them -- several of them have been  
16 identified on previous evaluation areas that were  
17 an improvement.

18 JUDGE KELLEY: Is that evaluation an attachment  
19 to the testimony of Mr. Ross?

20 MR. GUILD: I don't know that it is marked.

21 MR. MC GARRY: Part of it is.

22 JUDGE KELLEY: Part of it is. Is the whole  
23 file in the case? It is in the case one way or the other.

24 MR. MC GARRY: No, I am out looking for  
25 Ross' testimony.

j-12a-11

1 JUDGE KELLEY: As long as it is being referred  
2 to, it would be helpful to examine it if it is used further.

3 Do you know what tab number Mr. Ross is?

4 Volume 2?

5 MR. GUILD: No. 4, Mr. Chairman. I don't think  
6 it is in there, Mr. Chairman.

7 JUDGE KELLEY: Okay.

8 I don't mean to throw you off the rail. There  
9 were several references to this document.

10 MR. GUILD: Your Honor, I think it will be  
11 helpful. I don't have one. I think they have one. I  
12 recall it being the subject of some discussion with  
13 Mr. Allum during his deposition. There were a number of  
14 documents attached to the deposition and not copied in  
15 the FOI copy that we got. Perhaps, to be clear on it,  
16 let's get those in front of us.

17 At this point, we will know exactly what we  
18 are talking about. Maybe, Mr. Allum, you can help us  
19 identify this.

20 BY MR. GUILD:

21 Q Are we talking about Mr. Ross' worksheet?

22 A Yes.

23 Q That's in similar form to the one Mr. Davison --  
24 well, forget that point.

25 It is the performance management plan worksheet?

j-12a-12

1 A Yes.

2 Q What other documents do we need that would  
3 be helpful to you to be able to refresh your recollection  
4 about the specifics of your evaluation of Mr. Ross?

5 A We can go over most everything on that  
6 evaluation, I think.

7 It looks like you are focusing on one small  
8 time frame.

9 Q No.

10 A The evaluation carries a twelve-month period.  
11 We say we want specific examples for every month in the  
12 12 months. It is hard to do that without something to  
13 refresh your memory on.

14 Q Well, let's get that for you, then.

15 JUDGE KELLEY: Is anyone certain whether  
16 that particular document is on the premises?

17 MR. GUILD: I have a document. I just raised  
18 it up, Mr. Chairman. It is dated -- it is for the  
19 period 5-1-82 through 4-1-83. It is called "Accountability  
20 Summary and Appraisal for Exempt Employees."

21 It is Mr. Ross.

22 BY MR. GUILD:

23 Q Would that be the document?

24 A Yes.

25 Q Let me show it to you and see if that is what

1 we have in here, Mr. Allum.

2 Can you identify that?

3 A Yes, it is an appraisal copy.

4 Q That is for what period again?

5 A The period ending --

6 Q What date?

7 A 4-1-83.

8 Q That's not the worksheet, is it?

9 A No.

10 Q The worksheet is something in addition to that?

11 A Yes. We can work off this. It makes it  
12 work easier.

13 MR. GUILD: Mr. Chairman, counsel has suggested  
14 maybe we take a little bit of a break. They can find  
15 their copy and make sure we have everything we need.

16 JUDGE KELLEY: Let me state from my  
17 understanding that I have got -- and maybe counsel could  
18 think about it over a coffee break -- we are now looking  
19 at a performance evaluation sheet similar in form, but  
20 not identical to the one we looked at earlier today.

21 Now, we have an objection to that. We  
22 overruled it, having looked at it. My impression is,  
23 however, that this particular document with regard to  
24 Mr. Ross stands in a somewhat different footing.

25 If I am correct, Mr. Ross alleges in his

j-12a-14

1 testimony that he was a victim of discrimination, and  
2 he points to this evaluation as the basis for that.

3 I would think that any privacy concerns  
4 were waived by someone who makes such a claim.

5 Therefore, we need not worry about the  
6 same concerns we had over somebody else's evaluation  
7 performance; is that correct?

8 MR. GUILD: I think in summary that was the  
9 position the Applicant took when they provided this in  
10 discovery. They should speak for themselves.

11 They provided it to me without objection or  
12 any kind of stipulation sought about confidence of  
13 Mr. Ross.

14 MR. GIBSON: That is correct. Mr. Ross'  
15 recourse documents were made available under the original --

16 JUDGE KELLEY: Under the recourse, you open  
17 up your own file.

18 MR. GIBSON: That is true, to some extent.  
19 It is not synonymous to broad coverage, but in terms of  
20 the case, it was injected.

21 JUDGE KELLEY: I just wanted to make that  
22 distinction, if it was proper.

23 We might as well quit for ten minutes. We  
24 will quit until 2:30.

25 (Recess)



1 JUDGE KELLEY: Go back on the record. Now  
2 we are on.

3 MR. GUILD: Mr. Chairman, I've located a copy  
4 of what Mr. Allum just identified as the accountability  
5 summary and appraisal for Mr. Ross for the period ending  
6 4-1-83, and I've also located a copy of what I think is  
7 called the performance -- personal performance plan worksheet  
8 for Mr. Ross, and let me get the witness to identify that.  
9 I only have one additional copy of each, and what I was  
10 going to do was hand up to the Chairman if I could -- so  
11 the Board could follow from the form that the witness has  
12 in front of him, and I will try to make additional copies at  
13 a later point, but I wasn't anticipating using this as  
14 an exhibit at this point.

15 JUDGE KELLEY: Let me just state for the record  
16 I stepped into this just before we took the break. I was  
17 concerned because we were talking about some very specific  
18 things in reference to a document that I assumed existed,  
19 and my recollection was that Mr. Ross who would be a later  
20 witness had claimed retaliation and discrimination with  
21 reference to this particular thing. I did look again at  
22 his testimony, which was under Tab 40 during the break,  
23 and on looking at it, at least quickly, I don't see a  
24 specific allegation of retaliation or intimidation tied  
25 to that particular evaluation, but there is a general claim



1 of intimidation and harassment. Mr. Allum's name,  
2 Mr. Davison's name, and it seem a fair inference that  
3 the Number 2 fair rating would be a part of that, so it  
4 seems that it is an important thing and we have documents  
5 that tie it down, and we ought to use them, and that is  
6 why I stepped into it.

7 MR. GUILD: Mr. Chairman, let me direct the Board's  
8 attention to Attachment B in Mr. Ross' testimony. It's  
9 just behind the first set of handwritten technical concerns,  
10 if you will, which are Attachment A, and we have talked  
11 about it earlier. It is a form that is headed Duke  
12 Power Company.

13 JUDGE KELLEY: Yeah. I got it.

14 MR. GUILD: And it says in accordance with  
15 management procedure -- and a number.

16 JUDGE KELLEY: Maybe I don't have it. Sorry.

17 MR. GUILD: Attachment B is in the upper  
18 right-hand corner of the document. In caps.

19 JUDGE KELLEY: Oh, all right. I've got it now.

20 MR. GUILD: Okay. And the second paragraph there  
21 reads I feel that I have been discriminated against in my  
22 job performance and most recently in yearly evaluation.  
23 I feel that Art Allum has discriminated against me.

24 So there is an explicit claim to that effect.

25 Yes. And following that are a number of documents

1 relative to that evaluation but not the one that we are  
2 looking at right now.

3 JUDGE KELLEY: Okay.

4  
5 BY MR. GUILD:

6 Q Now, Mr. Allum I want to show you a second  
7 document here. Is this -- is this the worksheet for  
8 Mr. Ross?

9 A (WITNESS ALLUM) Yes, it is.

10 MR. GUILD: Mr. Chairman, if I can I would  
11 like to have identified and received as a hearing exhibit  
12 first the accountability summary and appraisal. That is  
13 the form document.

14 JUDGE KELLEY: Let me just make sure we are clear.  
15 I think we would like to go ahead rather than run out and  
16 try to get copies made. Where does that leave counsel  
17 though? Can you see the paper?

18 MR. MC GARRY: We will try to do the best we  
19 can. Mr. Allum has a copy.

20 JUDGE KELLEY: Mr. Johnson?

21 MR. JOHNSON: I do not have a copy.

22 JUDGE KELLEY: That is not so good.

23 (Pause.)

24 JUDGE KELLEY: Can he -- I don't know.

25 MR. JOHNSON: I would say that I have seen it once

1 because it was produced at discovery.

2 JUDGE KELLEY: Why don't you as you go over items --  
3 you can just simply quote the item you are referring to,  
4 and we can all listen and you should be able to follow it.  
5 Let's try it that way.

6 MR. GUILD: What is it? 50 for the first form?  
7 And that is the accountability survey.

8 JUDGE KELLEY: Okay.

9 MR. GUILD: We ask that it be received.  
10 I had as Palmetto 51 the worksheet itself, the  
11 second document, and I ask that be received.

12 JUDGE KELLEY: 50 and 51 for Palmetto marked  
13 and received.

14 (The documents referred to were marked Palmetto  
15 Exhibit Number 50 and 51 for identification and were  
16 received in evidence.)

17 MR. GUILD: Now, I will pass out my only copy of  
18 the first form, and one of the problems in discovery was  
19 that the second copy is in pencil, so the Xerox we made  
20 is illegible. We have made a blown up version which is  
21 legible, so it does you little good to follow with this one,  
22 but I will hand it to you anyway, and counsel has that copy --  
23 I think the original worksheet.

24 MR. MC GARRY: Yeah.  
25

1 BY MR. GUILD:

2 Q Okay. Okay. Now, Mr. Allum, I think you started  
3 out before the break to tell me that essentially you could  
4 follow the points of substance from this first document --  
5 that's the accountability summary.

6 A (WITNESS ALLUM) Yes, sir.

7 Q And largely it repeats at least with respect  
8 to the -- the objectives that are contained on the  
9 worksheet?

10 A Yes, sir.

11 Q All right. Now, let's look at the accountability  
12 summary for Mr. Ross through 4-1-83, and I'm looking at  
13 Page -- well, it's Section 6 of that document. Have you  
14 go that?

15 A I don't know. The numbers are off.

16 Q Okay. What I'm looking at here is -- it's  
17 the fourth page in my copy.

18 A Yes.

19 Q And there it has your signature under the  
20 place Evaluated By.

21 A Yes.

22 Q And the date 2-21-83?

23 A Yes.

24 Q Okay. Reviewed by -- and then has  
25 Mr. Davison's signature?

1 A Yes.

2 Q On the 26th of February, '83?

3 A Yes.

4 Q And it has Reviewed By -- and it has  
5 George Grier's on March 17, '83?

6 A Yes, sir.

7 Q And then it has Mr. Ross' comment on the bottom  
8 there. Let me see if I can read it and you tell me if I  
9 am reading it correctly. I feel my evaluation was not fair  
10 because I was rated lower than I felt I should be. I think  
11 my asking questions on procedures and voicing my concerns  
12 over lack of support has been used against me. I only  
13 had the intention of seeing that the program was being  
14 followed. I think this evaluation is discriminatory because  
15 I speak up when I think something is not being done properly.  
16 G. E. Ross, 4-29-83.

17 A Yes, sir.

18 Q All right. Now, using this document, Mr. Allum,  
19 and the worksheet if you need it, we have gotten to the  
20 point where I was asking you to tell me what the basis was  
21 for your negative evaluation of Mr. Ross. You had mentioned  
22 two points about communication. One about the subject of a  
23 transfer policy and second the subject about retraining NDE.

24 Now, can you direct my attention to where those  
25 items appear on this document?

1           A       One on the transfer I don't believe was indicated  
2 on here.

3           Q       Okay.

4           A       The one about MT and PT is listed last under the  
5 last accountability. Right above -- where the overall rating  
6 is.

7           Q       Yes. Now, is that last item where you relate  
8 to the MT and PT -- is that sort of in the other category,  
9 if you will --

10          A       Other --

11          Q       That it's not under one of the specific objectives  
12 or accountability statutes that you have listed on the  
13 worksheet?

14          A       What it says is -- these items identified in this  
15 block are -- refer to the first seven months of his  
16 evaluation period.

17          Q       Uh-hum.

18          A       Which was before we had the 3PW and we indicated  
19 that it was less -- his performance was less than  
20 satisfactory. We --

21          Q       Um-hum.

22          A       We also said in here that there had been  
23 improvements in the various areas.

24          Q       Where is that now?

25          A       On Section 2, the following page only has --

1 Q Wait a minute now.

2 A Wait a minute.

3 Q On the attachment?

4 A No. Wrong. Attachment where it continues on.

5 Says -- Beau felt that he should not be held accountable  
6 on his 3PW for his crew's attendance, safety, and job  
7 performance. However, after 3PW was written, he took steps  
8 to improve in all these areas. All areas of Beau's  
9 performance has improved since -- improved since the  
10 implementation of the 3PW.

11 Q Okay. And when is that -- when was that  
12 observation made?

13 A The observation for the improvement?

14 Q What you just read. When was that conclusion --  
15 when did you do this document? Can you tell?

16 A I think my signature indicated 2 something.  
17 2-21-83.

18 Q Oh, so that attachment is part of the same --

19 A It's all part of one evaluation.

20 Q I follow you. Okay. Okay. Let me go back  
21 to the point that I was address~~ing~~ first. Of the two points --  
22 that you made -- that you made because we had the document,  
23 the transfer policy issue was not specifically mentioned,  
24 right?

25 A No.

1 Q But the business about the training is referred  
2 to under that --

3 A Under one accountability.

4 Q Under the last accountability, right?

5 A The seven months prior to the 3PW.

6 Q Okay. And this -- am I reading correctly --  
7 and this relates to that point -- does this relate to  
8 that point? During that period he showed lack of support  
9 of management decisions. This was illustrated by his  
10 failure to accept the explanation given to him on the  
11 recertification of welding inspectors in MT and PT and  
12 his dissatisfaction expressed concerning the interpretation  
13 given by QA technical services concerning the proper  
14 use of R2A's and Q1A's?

15 A Yes, sir.

16 Q Okay. Well, I think I heard you talk about the  
17 recertification business. What is this business here about  
18 proper use of R2A's and Q1A's? What does that mean?

19 A When a decision -- when the procedures were  
20 changed to give us the use of R2A in a welding inspection  
21 area, Mr. Ross was opposed -- that change, and he said  
22 that that was showing nonsupport for him and the welding  
23 inspectors by not having the NCI.

24 Q Okay.

25 A Not using the NCI for all items that was looked at



1 as defects.

2 Q Okay. This was in mid '82, approximately?

3 A Yes, sometime in there. August I guess.

4 Q August, '82?

5 A Somewhere around there.

6 Q What I want to understand, is this tied to a  
7 specific revision of the Q1 procedure or is earlier when  
8 this was an informal change in use of Q1 versus the R2  
9 procedure?

10 A It's a formal revision.

11 Q This relates to after the formal revision?

12 A Yes.

13 Q Okay. Fine. Now, how did Mr. Ross express  
14 his dissatisfaction about the change to rely less on the  
15 NCI, the Q1 procedure?

16 A He wanted to be -- to return to using NCI's or  
17 Q1 as for all items that was found during inspection.

18 Q I'm sorry. All items -- what?

19 A Any item found during --

20 Q Found during inspection. Okay. How did he  
21 communicate that position? That he thought NCI's should  
22 be used instead of another document like an R2A?

23 A He was very upset, shouting I guess.

24 Q To you?

25 A Yes.

1 Q Okay. In what context? You meeting about the  
2 subject or did you tell him that the change was going to  
3 happen or what was the context?

4 A As I recall, I was sitting at my desk, and  
5 he came in and started discussing it.

6 Q Yeah?

7 A That's what you asked, wasn't it?

8 Q Yeah. Well, I want to understand a little bit  
9 more, Mr. Allum. You are a man of few words. That is  
10 good. Words take up time, but what I want to understand  
11 is a full explanation, if you will, of what the circumstances  
12 were. Was this before the change had taken place and it  
13 was just a proposal?

14 A No. After the revision came out as I recall.

15 Q Had he just found out about the revision?

16 A No. I don't know. I am just guessing about that.

17 Q Okay. Tell me the best you understand of  
18 what this circumstance was. You are in your office.  
19 You are behind your desk and Mr. Ross comes in. On what --  
20 for what purpose?

21 A Just for that specific purpose I imagine.  
22 I don't recall anything else being discussed.

23 Q Okay. And what did Mr. Ross say to you?

24 A He said that the decision to have NCI's or R2A's  
25 look for inspector deficiencies or inspection deficiencies was

1 taking away some of the authority of the welding  
2 inspectors.

3 Q Um-hum. Why was that? Why did he fell that way?

4 A Why, I don't know. That was the way that they  
5 had done things in the past for a length of time, and he  
6 felt comfortable doing it that way I guess. I just don't  
7 know.

8 Q What difference should it make to a welding  
9 inspector whether they use one piece of paper or another?  
10 What is the significance as you understood Mr. Ross' point?  
11 I am not asking you to agree with it or not. I am just  
12 asking you to agree with it or not. I am just asking what  
13 was the significance as far as a welding inspector was  
14 concerned, whether they used the Q1A or the R2A?

15 A I think it was just the fact that they were  
16 comfortable using the NCI or the Q1A. They used it for a  
17 considerable length of time and they used the R2A before.  
18 They just felt comfortable on what they were doing.

19 Q All right. Well, do you understand that the  
20 Q1A form and the Q1 process involved considerable level  
21 additional administrative response than the R2?

22 A Yes.

23 Q All right. And that it required evaluation for  
24 root cause and for significant corrective action and for  
25 reportability and that it was reported to the -- to the

1 resident NRC inspector and it was viewed as a much more  
2 serious process for identifying and resolving deficiencies  
3 than the R2. Isn't that right?

4 A That's the way that it was used. Yes, sir.

5 Q So to use a much less serious process, did you  
6 understand Mr. Ross to be communicating that the welding  
7 inspectors thought their authority was being diluted or  
8 being taken away from them?

9 A I didn't picture it as a less serious process  
10 if that is what you are implying. Mr. Ross did feel that  
11 it was taking away from his authority.

12 Q Okay. And was he communicating for the welding  
13 inspectors as far as you could tell that their belief was  
14 that it was a less serious process?

15 A No, I didn't get that impression.

16 Q Just talking for himself?

17 A That's as I understood it. Yes.

18 Q Well, was Mr. Ross free to express that opinion?

19 A At a proper time and place. Yes.

20 Q Wasn't that the proper time and place?

21 A No.

22 Q Why not?

23 A I thought it was disruptive to everyone in the  
24 office at the time.

25 Q Who else was being disrupted besides you?

1 A I think Mr. Baldwin, Mr. Warren.

2 Q Mr. Baldwin and who?

3 A Mr. Warren.

4 Q Who is that?

5 A The other person in the office at the time.

6 Q Who is Mr. Warren?

7 A He is a civil QC engineer.

8 Q Okay. So it was disruptive to you and  
9 to Mr. Baldwin and to this Mr. Warren. Anybody else?

10 A I imagine Mr. Tommy Barron. I don't recall  
11 just who was in there and who was talking to who.

12 Q Um-hum. Who is Mr. Barron just for clarity?

13 A He was QC engineer, mechanical.

14 Q Okay. Why was that an improper method for  
15 Mr. Ross to express his opinion about a matter that he  
16 obviously took seriously?

17 A He could have said, "We have a problem. We need  
18 to talk about it," and went and done it. Talk about it  
19 without disrupting everything that was going on at the time.

20 Q What was it about -- I mean -- you know --  
21 break it up for me. Why did you consider that improper?  
22 What was improper about it?

23 A The tone, the attitude. Say you have a problem,  
24 let's discuss it. We could do that without disrupting  
25 anyone. The work could continue. The atmosphere of the place,

1 the judgement, the time.

2 Q Okay. Okay. It wasn't simply the expression of  
3 his opinion that was the problem?

4 A No. He was welcome to his opinion, and we need  
5 to discuss it at the proper time and place.

6 Q Okay. You just felt that it was not the proper  
7 time and place?

8 A Right.

9 Q And that was the basis for your observation  
10 that that was showing lack of support of management decisions,  
11 right?

12 A I think that is a portion of it.

13 Q I didn't hear you.

14 A Yes, I think that is a portion of it.

15

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j-14a-1

1           Q       Was it correct, Mr. Allum, that you viewed  
2 the issue and management of the company viewed the  
3 issue as closed to Mr. Ross at that point in the sense  
4 that you already decided that you were going to do away with  
5 the previous practice of using NCI's the way Mr. Ross  
6 thought they ought to be used, you didn't want to hear  
7 about it, frankly, anymore?

8           A       I don't think we do business that way.

9                   A person has a problem with something wrong.  
10 We talk about it.

11          Q       So it wasn't a problem for him to talk about  
12 it, just the way he did it?

13          A       That's right.

14          Q       All right.

15                   I am looking down here, using an illustration  
16 under the same paragraph where you said his performance  
17 was less than satisfactory.

18                   Communication between Beau's crew and craft  
19 and technical support personnel was improved over the  
20 last annual evaluation, but is in need of much improvement.

21          A       Yes.

22          Q       And this was caused in part by his using  
23 another inspector to investigate problems and concerns  
24 of craft, rather than doing it himself.

25                   Is that continued someplace?



j-14a-2

1 A Yes, it is.

2 Q I am looking now, it is like the third page  
3 later, it says, "Improvements have been made in  
4 communicating with craft. However, there is room for  
5 a lot of improvement. This can be done by Beau  
6 looking into problem areas, himself, rather than having  
7 one of his inspectors trying to determine what the problems  
8 are."

9 What is the substantive point there, Mr. Allum?

10 A What we are trying to do is communicate  
11 between craft and inspection, when we had a problem, a  
12 misunderstanding, to help identify the problem and  
13 identify the source of misunderstanding.

14 In order to do that, when the craft or  
15 technical support, or anyone had a problem, we wanted to  
16 have face-to-face communications with the people involved.

17 What was happening was that when his craft  
18 would ever have a problem, they would try to contact  
19 Mr. Ross.

20 Mr. Ross would either not look to the  
21 substance itself, or send a third party down to look at it,  
22 and base his evaluation on that third party's information.  
23 It wasn't getting the first-hand information on the subject.

24 Q By "third party," you mean one of his inspectors?

25 A Yes.



j-14a-3

1 Q Doing other inspections?

2 A No.

3 Q Looking at a piece of work?

4 A Yes.

5 Q Wasn't that what the inspectors are supposed  
6 to do, look at the work?

7 A The supervisor is supposed to look at items,  
8 whether it is a problem or whether it is a disagreement.

9 Q Is this a typical context, a welding inspector  
10 sees a problem, what he thinks is a problem?

11 A Yes.

12 Q The crafts supervisors work -- they are looking  
13 at it and he says, "Wait a minute. Wait a minute. There  
14 is no problem there."

15 The craft supervisor goes to the welding  
16 inspector supervisor, Mr. Ross, and says, "Mr. Ross,  
17 your people are fighting problems that don't exist."

18 Now, in that setting, Mr. Ross is supposed to  
19 look at the piece of work himself?

20 A I don't think that is an adequate picture  
21 of the problem.

22 There are questions that come up day to day  
23 in our work area.

24 We want to discuss it. The supervisors are  
25 involved in this. The crafts supervisors want to discuss

1 the problems, and they will go talk to the inspectors.

2 The inspector says, "Here is what I see."

3 The supervisor will say, "Well, I need to talk  
4 to Mr. Ross or talk to Beau," as the saying goes, "and  
5 get these two involved so that we can find out if there  
6 is a problem, if craft has a problem or if inspection  
7 has a problem, or what it is, and come to a mutual feeling  
8 to identify the problem and take care of it."

9 That wasn't happening.

10 The welding inspector, the first-line supervisor  
11 in this area, was not communicating with craft or  
12 technical support services personnel.

13 Q What do you mean by the example here about  
14 sending another inspector?

15 That's what I'm trying to focus on.

16 A That was one of Mr. Ross' approaches to the  
17 problem.

18 The craftsman would -- the supervisor would  
19 tell him about a battery problem. Instead of investigating  
20 it himself, looking at it and seeing what the situation  
21 is, and talking to the inspector involved, he would relay  
22 a third party to it.

23 Q Another inspector?

24 A Yes.

25 Q Earlier this morning, we were talking with

j-14a-5

1 Mr. Baldwin here, and Mr. Baldwin was describing a  
2 circumstance where he saw one of these conflicts. He  
3 had another inspector go down and look at the piece of  
4 work again.

5 In that example he had somebody do an NDE,  
6 check a particular piece of work that Mr. Bryant, a  
7 welding inspector, thought had a sort of lack of fusion.  
8 If it is good enough for Mr. Baldwin to send another  
9 inspector to take a look, why isn't it good enough for  
10 Mr. Ross to send another one of his inspectors down  
11 to see whether the first guy's welds are right or not?

12 MR. MC GARRY: I object to that question.  
13 That question is erroneous. It is without a basis.  
14 That is not what Mr. Baldwin said this morning.

15 JUDGE KELLEY: Well, not having a transcript,  
16 if the analogy is inept, why can't the witness just  
17 explain why? I think that is simpler.

18 Go ahead.

19 BY MR. GUILD:

20 Q Mr. Allum?

21 A What you are saying, Mr. Guild, is that  
22 Mr. Baldwin sent the third inspector down without him first  
23 looking at it, or the first-line supervisor first looking  
24 at the situation. That is not true.

25 Mr. Baldwin and Mr. Ross both looked at the

1 situation.

2 Q Right.

3 A And in this situation that you are looking at  
4 here, the first-line supervisor is never involved. Only  
5 by telephone, isolated. He doesn't look at the  
6 situation itself.

7 Q That's what happened to him in this instance

8 A Yes.

9 Q You are saying that Mr. Ross usually doesn't  
10 leave his office? He just calls up another person and  
11 says, "Go look at it"?

12 A That happens routinely, or did happen  
13 routinely.

14 Q That's what you are talking about here?

15 A Yes.

16 Q And the distinction you see is that Mr. Baldwin  
17 involved himself in a positive way in resolving the  
18 technical question that he was using as an illustration  
19 this morning, and Mr. Ross didn't?

20 A In the case of talking about the forum  
21 with Mr. Baldwin, Mr. Baldwin and Mr. Ross were both  
22 involved, as I understood what was said.

23 In this case, Mr. Ross never becomes involved,  
24 only to answer the phone.

25 Q What he should have done is go down and look

j-14a-7

1 at the work or talk to them?

2 A Yes.

3 Q Okay. I apologize. All right.

4 Now, is that the substance of this other  
5 category, if you will, Mr. Allum, the items that refer  
6 to the first seven months?

7 A Yes.

8 Q Nothing else needs to be added there to get  
9 an understanding of the basis for your negative evaluation  
10 on that score?

11 A Yes.

12 Q Okay. You gave him a rating of 1 on that  
13 category; isn't that right?

14 A (Witness nodding head.)

15 Q Is that right?

16 A Yes.

17 Q And 1 is defined on the first page as  
18 "Frequently falls short on accomplishments. Needed  
19 improvement is required. The individual has not grasped  
20 the basic requirements of this accountability and shows  
21 little or no sign of practicing."

22 A That's right.

23 Q That's what you meant by that?

24 A Yes.

25 Q That is pretty bad; right?

j-14a-8

1 A It was bad.

2 Q That's the worst?

3 A Yes.

4 Q You think Mr. Ross was doing the worst possible,  
5 as you define it, on those points?

6 A I don't know how you call it the worst possible.

7 I am saying that he fell short of  
8 his expectations.

9 He needed immediate improvement.

10 Q Okay.

11 A I also said in evaluations that he had made  
12 improvement in numerous areas.

13 Q In that part?

14 A Yes.

15 Q But it all balanced out to be the worst  
16 rating possible for that category?

17 A For that three-month or seven-month period.

18 Q Right. But that all gets weighted out and  
19 added into the final calculus. You multiply it three  
20 times the one times and the three there. That's what  
21 he gets for that category; is that right?

22 A For that category.

23 Q Now, let's start at page 1 and go quickly, if  
24 we can. If there is any point that you need to add to these  
25 for a comprehensive understanding of the basis of Mr. Ross'

j-14a-9

1 negative evaluation, if it is not on the face of this  
2 document, please add it.

3 The first item doesn't seem to be one where  
4 we had any problem. He is very competent in that area;  
5 is that right?

6 A Yes.

7 Q The second item and the first item has to do  
8 with, I think, work safety.

9 A The first one does, yes. The second item, he  
10 is rated competent, and that has to do with absenteeism,  
11 sickness, et cetera.

12 And this also reflects into the overall of  
13 the year over the first seven-month period. This was a  
14 type of attitude that he displayed during that period of  
15 time.

16 Q He did bad in this area?

17 A No. I am saying before that, before that  
18 first seven-month period, he did bad.

19 We said, "You need to be accountable for the  
20 actions of your crew in these particular items."

21 Beau felt that he shouldn't be held  
22 accountable for it. After it was written down that this  
23 needs to be done, and agreed upon by he and I, he made  
24 significant improvements.

25 He took the action when it was necessary.



j-14a-10

1 Q Now, the third item is the first area where  
2 you are getting down in this evaluation below "Competent."

3 He has got a 2 there.

4 MR. MC GARRY: What area is that?

5 MR. GUILD: Effective administrative management  
6 of the salary administration problem including evaluations.

7 That's the third one.

8 BY MR. GUILD:

9 Q You say attention is needed in identifying  
10 employee weaknesses.

11 That's the basis for him getting a less  
12 than competent rating there?

13 A Yes.

14 And not only weaknesses, but in order to  
15 show their performance so we can identify outstanding  
16 people that come along.

17 It doesn't only reflect negatives. They need  
18 to identify the positives.

19 Q What's the basis for that, Mr. Allum?

20 A Some 20 or 30 evaluations that he had  
21 submitted throughout that year.

22 Q What is the basis? What did he do wrong?

23 A They weren't completed as they should have  
24 been. He didn't have pieces of information in it.

25 Q In what regard?



j-14a-11

1           A       Total performance, looking at objectives for  
2 the coming years, looking at performance before that year.  
3 Looking at their attendance, looking at safety records.

4           Q       Did he rate his people high?

5           A       No.

6           Q       He rated them too low?

7           A       No.

8           Q       Did he just not rate them?

9           A       He rated them, but he did not include  
10 sufficient background information. He didn't properly  
11 rate his people to show their strong points or weak points.

12          Q       It says, "Your attention is needed in  
13 identifying" -- I misquoted that.

14                    "Attention is needed in identifying employee  
15 weaknesses."

16                    So your target is on his failure to identify  
17 his employees' weaknesses, right?

18          A       No, not necessarily.

19          Q       That's what it says.

20          A       Yes, it does.

21          Q       What weaknesses did the employees have that  
22 he apparently wasn't identifying that you thought should  
23 have been identified?

24          A       He had attendance problems, communication  
25 problems, failure to follow my rules, problems.

j-14a-12

1 Q That's what we should understand by this  
2 point you make here?

3 A Yes.

4 Q Is there any other basis for that?

5 A No.

6 Q Did you communicate any other basis to Mr. Ross?

7 A No. He and I and all the supervisors were  
8 aware we were trying to upgrade our evaluations. And  
9 everyone had room for improvement.

10 Q What do you mean, every first-line supervisor?

11 A That I know of.

12 Q So it just wasn't Mr. Ross; it was all the  
13 rest of the first-line supervisors?

14 A Yes.

15 Q You weren't picking on Mr. Ross on this point?

16 A No.

17 Q Maybe I will rephrase that.

18 Mr. Ross didn't stand out as particularly bad  
19 on this point; is that fair?

20 A He was pointed out as being in need of  
21 improvement.

22 Q Did you put on others, "Need improvement"?

23 A Yes.

24 Q Did you rate them fair, as well, on this point?

25 A I believe so, yes.

j-14a-13

1 Q The next item is "Carry out responsibilities  
2 of QA and construction department QA procedures."

3 You rate him a 2 there.

4 Now, I am looking at your worksheet here for  
5 Mr. Ross. That worksheet was constructed before this  
6 evaluation; right?

7 A Yes.

8 Q And, in fact, it is his success or failure to  
9 meet the standards set out in his worksheet that is the  
10 basis for the evaluation, right?

11 A Yes.

12 Q Now, I am reading from his performance standard  
13 on No. 3. That is the same heading.

14 It says here, "Assure that a complete  
15 description of the problem is contained in all R-2s and  
16 NCI's. Assure that identified items need to be written  
17 up to meet program requirements."

18 Does that include the notion of using the NCI  
19 process and the R-2 process when they are appropriate  
20 to use them?

21 A What this is, it is significant improvements  
22 have been made in the identification of items requiring  
23 Q-1A's and R-2A's.

24 That is identified as a strong point.

25 Q Yes. Right.

j-14a-14

1           A       What we have said is that he needs to improve  
2 in writing the descriptions on the items that are  
3 identified.

4                   This is an aid, too.

5           Q       Right.

6           A       For people who are evaluating NCI's or R-2A's,  
7 so they can get a complete picture of what happened.

8                   It is not a reflection on how many wrote  
9 or didn't write, if that is what you are implying.

10          Q       What I am asking, I read from the performance  
11 standard you set for him, before you did the evaluation.  
12 The standard you set for him that on --

13          A       10-31-81.

14          Q       It looks like November 1, '82; is that right?

15          A       That's close, yes.

16          Q       That's the one approved by Mr. Wells, but the  
17 one you did, right?

18          A       Wrong.

19          Q       What's wrong?

20          A       Mr. Wells never saw them.

21          Q       How come it has J. W. Wells written on it?

22          A       It doesn't.

23          Q       My copy does.

24                   "Plan approved by J. W. Wells."

25          A       (WITNESS DAVISON) I believe that's J. W. Willis,

1 Superintendent.

2 Q The superintendent at the time. Thank you  
3 for helping me.

4 Mr. Willis approved Mr. Ross' standard back  
5 then, but the standard says under this item No. 3-A  
6 that identified items needed to be written up to meet  
7 the program requirement.

8 Does that focus on the point that I have just  
9 asked about that you used in the NCI when the NCI  
10 is the approach and the R-2 is the approach?

11 A (WITNESS ALLUM): Yes. And he did that.

12 Q He did that?

13 A That's what it says.

14 Q I see.

15 Now, that was the problem with his description  
16 of the items in the report, Mr. Allum?

17 A Generally, saying that it was difficult  
18 for the people reviewing the NCI's to give adequate  
19 descriptions on the R-2A's of what the problem was. A  
20 problem of providing sufficient information.

21 Q Can you give me an example?

22 A No.

23 Q You have no examples?

24 A Not off the top of my head, I don't.

25 Q Did you have any examples when you rated him

j-14a-16

1 fair and below competent on this point?

2 A Yes.

3 Q Did you communicate those to Mr. Ross?

4 A Yes.

5 Q He knows what you are talking about here?

6 A Yes. As well as the other supervisors who  
7 are working in the same area.

8 Q You rated them below competent on this point,  
9 as well?

10 A I rated them as needing improvement in the  
11 area.

12 Q Did you rate them as 2 as well?

13 A Yes.

14 Q What?

15 A Yes.

16 Q The next item is resolving technical problems  
17 concerning quality.

18 You rate him as a 2 there, as well, don't you?

19 A Yes.

20 Q Why?

21 A Mr. Ross has a lot of technical -- he is  
22 technically competent to make decisions.

23 He is a very intelligent individual. He is  
24 able to answer the questions that come before him, but  
25 those that he doesn't feel will reflect what his people

j-14a-17

1 want to hear are referred to someone else.

2 Q Referred to who?

3 A Referred to myself.

4 Q Well, Mr. Allum, what I am hearing you say  
5 is, in situations where he doesn't agree with you --

6 A Wrong.

7 Q -- he says, talk to Mr. Allum.

8 A Wrong.

9 Q Help me understand what you mean, if that is  
10 not fair.

11 A If he thinks that the inspector will not  
12 see it the same way he does, I feel that he sends that  
13 question on.

14 He doesn't answer it when he has the opportunity  
15 to do it. He has the knowledge and everything at hand  
16 to do it, not that his decision or answer is any different  
17 than mine.

18 Q Give me an example, Mr. Allum.

19 A I don't know if I can think of one off the top  
20 of my head. I can't give you one off the top of my head.

21 A (WITNESS BALDWIN): Mr. Guild, I might be  
22 able to help you out in a similar situation on this.

23 Q Please do, Mr. Baldwin.

24 A One concerns a welding inspector that might  
25 reflect that. I think that is one you referred to this



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1 morning that you and I were confused on.

2 Q Yes.

3 A D-23.

4 Q Sounds like it, Mr. Baldwin. Let me look  
5 real quick here.

6 A D-23 is the one I want to use as an example.

7 Q I have D-23 and R-50. Is that the same thing?

8 A Yes, sir.

9 Q The D is one where Mr. Bryant was expressing,  
10 I think --

11 A Yes, sir.

12 Q Go ahead.

13 A In this situation, the concern was by the  
14 welding inspector that weld 43-2 was found to be  
15 welded downhill. CRB would not allow a Q-1A to be  
16 initiated, but allowed the craft to weld over top the  
17 previous weld.

18 Q All right.

19 A What, as I recall, happened was Mr. Ross called  
20 me about this and said that the craft had welded a  
21 bracket onto this tank and they had about a half inch  
22 of downhill welding, which was in violation of the  
23 procedures.

24 Our procedures did not allow any downhill  
25 welding.

1                   He called me on the phone and said that "I  
2       don't think we should nonconform the situation, but allow  
3       the craft to remove the defective weld and to correct it  
4       by rewelding it."

5                   That was the extent of conversation, except  
6       that I concurred with his decision in that.

7                   So apparently he had conveyed this to the  
8       welding inspector in a different light in respect of  
9       what the welding inspector's perception of my conclusion  
10      was.

11                  Q       Okay.

12                  A       I think this is an example, you know. Mr. Ross  
13      knew the answer to this question. But apparently he  
14      had related that to the inspector as if I had made the  
15      decision.

16                  All that I had done was concur with his decision.

17                  Q       Okay.

18                  Well, I am looking on the technical evaluation,  
19      the individual concern, that appears before file numbers  
20      R-50 and D-23.

21                  Do you have that, Mr. Baldwin? Two pages,  
22      three pages in front of where you are reading.

23                  A       (WITNESS BALDWIN) Yes, sir.

24                  Q       It says downhill welding is prohibited on  
25      Duke's projects. However, as these welds must pass all

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1 inspection and examination prior to their acceptance,  
2 the welds are acceptable.

3 Then it goes on.

4 The practice of not initiating proper  
5 notifications (Q1, R-2) are of an obvious  
6 violation of the welding program, and is not acceptable.

7 Well, why did you approve a practice that  
8 was not acceptable under the QA program, Mr. Baldwin?

9 If you are telling us that you told -- that  
10 you concurred with Mr. Ross, or you told Mr. Ross that  
11 it was okay to not -- to fail to nonconform that  
12 downhill weld?

13 A I didn't say I agreed with what the conclusion  
14 of the task group was.

15 I said that I concurred with Mr. Ross on  
16 his recommendation to allow the defective work to be  
17 corrected.

18 Q Well, do you agree with the task force's  
19 conclusion?

20 A Not about this particular situation, I don't.  
21 I can accept it, but I don't agree to it.

22 Q It says they concluded that you have written  
23 it as a nonconforming item, right?

24 A (Witness nodding head.)

25 Q My question to is, regardless of what Mr. Ross

j-14a-21

1 said to you or communicated to his inspector, why on  
2 earth were you taking a situation that came to your attention  
3 that should have been nonconformed, and you didn't do it?

4 A I was using that as an example of communications.  
5 This is a different point that you are making.

6 Q Yes, sir. That's true.

7 I agree with that. But it seems an obvious  
8 point to make from the face.

9 A It is not unusual when a welding inspector  
10 identifies defective work to allow the craft to correct  
11 that without writing the conformity item or the R-2A  
12 when it is readily correctable, as this appeared to be,  
13 that it was only about a half inch of welding, or a  
14 filled weld, or a bracket had been welded to the plate.

15 It seemed to be the logical thing to do,  
16 since the welding inspector had identified it, and  
17 apparently the craftsman was there doing the work, to allow  
18 the craftsman to correct that.

19 Rather than removing the slag or porosity  
20 or lack of fusion that might occur in the process of  
21 making the weld, that was the judgment that was used.  
22 Apparently the test worked. So that it was an incorrect  
23 judgment.

24 Q An evaluation done by Mr. Van Nalson?

25 A Yes, sir.

j-14a-22

1 Q He is an engineer?

2 A I think so. Yes, sir.

3 Q Competent to make engineering judgments about  
4 whether or not this practice was acceptable?

5 A It was a judgment, just like attorneys  
6 disagree from time to time.

7 Q Sure. I agree.

8 But you are saying that you disagree with  
9 his conclusion that it is an obvious violation of the  
10 welding program, and that Q-1 or an R-2 should have been  
11 initiated?

12 A No, I agree that it is an obvious violation  
13 of the QA program. But I don't necessarily agree that  
14 the procedure Q-1 is the correct procedure that should  
15 have been followed.

16 Q Or an R-2?

17 A I respect his opinion on that.

18 Q Or an R-2?

19 A Or an R-2. I felt it was appropriate to  
20 allow the work to be corrected.

21 Q Was that documenting the deficiency?

22 A Yes, on this particular situation and this  
23 particular class of work.

24 Q Well, thank you for pointing out that example,  
25 Mr. Allum. I am focusing your attention on, if you have

1 an example or another example, offer it, please do.

2 What I am interested in on this point is  
3 the basis for Mr. Allum's evaluation of Mr. Ross.

4 On this point, it is a question of Beau is  
5 capable of answering those questions concerning quality,  
6 et cetera. He needs to answer this type question himself.  
7 I guess our point is, Mr. Allum, why shouldn't I just  
8 understand that as simply Mr. Ross saying, "I am not going  
9 to simply repeat the party line, if you will, where I disagree  
10 with it. I am going to tell my inspector that if I disagree  
11 with that point, but Mr. Allum, who is my boss, can  
12 articulate why the company line is right in this situation,  
13 then you should go talk to Mr. Allum"?  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

1 A I have no problem with that.

2 Q Okay. That would be okay.

3 A That's fine.

4 Q Okay.

5 A What I'm saying is in a similiar situation where  
6 an item will come up that Mr. Ross knows the answer to.

7 Q Right.

8 A No problem about that. He will call and  
9 state the question, state his recommendation to it -- as  
10 a recommended solution. If I agree to that, when it's  
11 communicated back to his people, it is -- Art said to do  
12 this or Art said to do that.

13 Q Okay.

14 A Which in fact is Art agreed that we could do this--  
15 agreed we couldn't do that, whatever the case may be.

16 Q Okay. So am I reading you correctly that --  
17 and in light of Mr. Baldwin's comment that sometimes  
18 Mr. Baldwin -- I mean Mr. Ross -- excuse me -- sometimes  
19 Mr. Ross in fact agreed with the party line? I am using  
20 that as a synomyn for whatever technical position you were  
21 in agreement with. He agreed but told his inspectors that  
22 he disagreed and that you overruled him?

23 A No, he didn't do that. He inferred that that  
24 happened.

25 Q He inferred?



1           A       Yes. By saying that is Art's decision. Art  
2       said to do this or said to do that or -- when Art agreed  
3       to do this or agreed to do that. It was -- Mr. Ross  
4       had the solution in hand.

5                   (Pause.)

6           Q       Why would he do that?

7           A       I don't know.

8           Q       Do that to make you look bad?

9           A       I don't know that he does that intentionally.  
10       I think -- I think he says that as an effective way to  
11       keep himself close to the inspectors so that these type  
12       of questions that were -- that I'm referring to are not  
13       the ones that he would want to be associated with.  
14       I don't know what the reason is.

15          Q       What do you mean by "to be close to the  
16       inspectors"?

17          A       Well, he has some very capable and competent  
18       inspectors who will question things as they should.

19          Q       The decisions. And he would rather that question  
20       be directed at Art than he would Beau? Because he agrees  
21       with his inspector?

22          A       It was his decision. He must agree with himself.

23          Q       You are saying that he really agrees with you  
24       but he wants the inspector to think that he agrees with  
25       them. Is that it?

1           A       I think that's pretty close.

2           Q       And you don't -- he wants to make you look bad.  
3 Is that fair?

4           A       It may be. That would be an assumption on my  
5 part.

6           Q       Did you confront him with that?

7           A       Yes

8           Q       And what did he say about it?

9           A       Mr. Ross and I went over this entire appraisal as  
10 you can see, and it was signed on 4-15-83. We reviewed  
11 the appraisal, went over every item one by one.

12          Q       All right.

13          A       Mr. Ross agreed to them -- all items saying that  
14 yes, he agreed that he had problems at the beginning of the  
15 year, the first seven months.

16          Q       Okay.

17          A       He also agreed that he had made progress.

18          Q       Um-hum.

19          A       It was pointed out that things had gotten  
20 better, and I couldn't identify the reason nor could he  
21 identify the reason why he had made this drastic change, but  
22 we do know when it had taken place. Mr. Ross' only comment  
23 on the evaluation was in the area of communication where  
24 he felt that he was better able at communicating with the craft  
25 and technical support people than I indicated. Then on 4-29 --

1 4-15, which I believe was on a Friday, on Monday morning  
2 when I came in my office there was a note on my desk,  
3 "I do not feel my evaluation was just. I intend to file a  
4 recourse," or words to that effect.

5 Q Okay. So you are saying that before he filed  
6 his recourse, he basically said you are right, Art, on all  
7 these points?

8 A Yes. And he said that several times. We had  
9 talked about the marked difference in his performance  
10 between -- after the first of November.

11 Q Okay.

12 A In that time frame.

13 Q And you are saying on this particular point  
14 Mr. Ross agreed with you?

15 A He had agreed with the evaluation in toto first  
16 when we went through it as was -- and was discussing each  
17 item as we went through it.

18 Q All right.

19 A Back earlier in February.

20 Q Um-hum.

21 A Then again when we went over the performance  
22 appraisal on 4-15.

23 Q Um-hum.

24 A So at 4-15 date he said that he didn't think he  
25 was that bad in communicating.

1 Q Um-hum. And then changed his mind on the 4-29th  
2 when he writes the note on here?

3 A Yes.

4 Q And changed his mind -- did he do that to make  
5 you look bad, Mr. Allum?

6 A No. I just think he thought about it and thought  
7 about it and stewed over it, and he said, "I changed my mind."

8 Q When do you think he was telling it the way it  
9 was?

10 A I have no reason to believe that he wasn't  
11 telling it the way it was all along.

12 Q You are saying that he was pleading guilty on  
13 all the points as he is relating them to you and then  
14 files a recourse about it saying that your evaluation of  
15 him is discriminatory and a reprisal for him having expressed  
16 concerns?

17 MR. MC GARRY: Objection.

18 A Yes.

19 MR. MC GARRY: I don't think that is a fair  
20 characterization to say that he pleaded guilty.

21 MR. GUILD: Well, that's shorthand and I don't  
22 mean --

23 BY MR. GUILD:

24 Q You know what I mean, Mr. Allum. I will  
25 rephrase the question. My point is he agreed with your

1 findings, yes? Is that right?

2 A (WITNESS ALLUM) Yes.

3 Q He agreed with your findings and then he turned  
4 around and, if you will, disagreed with them?

5 A Yes.

6 Q And I want to understand if you have any -- if  
7 you know -- shed any light on this, why did he do that?

8 A I don't know.

9 Q Okay. But as to this particular point about  
10 answering questions and, you know, making Mr. Allum look  
11 bad as far as technical positions that he actually agrees  
12 with but says to his inspectors he disagrees with you,  
13 Mr. Ross pled guilty to that? He said that happened?  
14 Is that right?

15 A I never said that he --

16 MR. MC GARRY: Wait a minute. Objection. Again  
17 pled guilty I don't mean to belabor it, but we should keep  
18 the record.

19 BY MR. GUILD:

20 Q Did he agree to this point?

21 A He agreed with all the points with the exception  
22 of communication.

23 Q So he agreed to this point, right?

24 A Yes.

25 Q The way you just expressed it to me?

1 A Not the way you expressed it to me.

2 Q You told Mr. Ross that he had been doing this  
3 and he you used the kind of illustration that you just used  
4 with me, words to that effect, and you confronted Mr. Ross  
5 with that and he said yeah, I been doing that Art?

6 A The exact words were on the performance  
7 appraisal, the ones that were used.

8 Q That is a pretty summary description. What I'm  
9 saying is that you communicated to Mr. Ross what you meant  
10 by that. He understood what you meant by that and he  
11 agreed that he had been doing that?

12 A Yes.

13 Q Fine.

14 A And we both agreed that he was doing better.

15 Q When was that?

16 A At that time. That was -- he was making headway  
17 in these various areas.

18 Q But you still gave him a 2?

19 A Yes.

20 Q He was doing better but not competent?

21 A You are right.

22 Q He had been doing 1 before that?

23 A He was getting better.

24 Q But getting better means he had been worse  
25 before. Was he a 1 before?

1 A That's what I believe he was rated before.

2 Q On, really? On that point?

3 A On every point in general where we gave the  
4 overall of a 1 on the period --

5 Q I follow you. Okay. So when you gave the 1  
6 down here on the other category for the first seven months,  
7 that 1 reflects the very worst category for everything; is  
8 that right?

9 A In general. Yes.

10 Q Okay. And you're saying he made the improvement  
11 from the very worst to the second worst -- the fair level  
12 by the time you actually wrote this up?

13 A Yes.

14 Q Okay. I follow you, I hope. The third item  
15 you rated him competent on. I'm looking -- this is not  
16 the third item -- the first item at the top of the second  
17 page. Correct?

18 A Scheduling work force to support project's  
19 schedule. Yes.

20 Q He did okay on that one, right?

21 A Yes.

22 Q Okay. Your performance standard for him  
23 a sure backlog and M4I inspections are completed so as not  
24 to delay system turnover. What is an M4I inspection?

25 A That is surface check of piping --



1 Q Is that the final visual you do before you turn  
2 over a system?

3 A That is a -- an inspection to look for  
4 construction induced damage, that something may have  
5 happened.

6 Q It comes after the welding is actually done?

7 A Yes. Yes.

8 Q And he did that okay?

9 A Yes.

10 Q All right. Okay. Conduct inspection to insure  
11 that procedures are being properly followed. What's the  
12 problem there, Mr. Allum?

13 A We identified earlier when we said that Beau  
14 is spending more time in the field during this period of  
15 time. What we were attempting to do was have our first  
16 line supervisors in the field observe the inspections being  
17 conducted, see if we have any problem areas, make corrections,  
18 if necessary, spend time with his people in the field in  
19 the inspection.

20 Q And he was doing that?

21 A He is doing better at it. He wasn't.

22 Q Pardon me?

23 A He wasn't at the first part of the evaluation  
24 period.

25 Q The first seven months?

1 A And some after that.

2 Q But by the time you wrote this, he had been  
3 doing okay?

4 A Yes.

5 Q Why did you give him a 2 then?

6 A One of the things that it says in here -- where  
7 it said items of concern have been identified in those  
8 areas by audit groups concerning the number of inspections.  
9 There is a continuing thing from about three or four  
10 evaluations, and he has had that problem. He needed to  
11 take corrective action to get it solved, to get the checks  
12 made that he ain't done.

13 Q Do more random inspections?

14 A Yes.

15 Q What is a random inspection?

16 A Unannounced inspection, checking welding machines  
17 to make sure that they are in the proper amperage  
18 specified --

19 Q Checking the voltage settings on the machines?

20 A See that the inspection was done. Yes.

21 Q And that is not a part of the normal process  
22 control for a weld in particular. You are supposed to do  
23 random checks of that?

24 A Yes.

25 Q And he wasn't doing it?

1           A       Not to the extent that it would be considered  
2 acceptable.

3           Q       And that is the basis for him getting a 2 instead  
4 of a 3 on this one?

5           A       Yes.

6           Q       On your worksheet there you say this under  
7 that same category. Audit findings through 2-83 from NRC  
8 and Duke audits. Maintain at least sixty percent time in  
9 field. What is the NRC audit finding you have reference to?

10          A       We had a Duke audit item that was identified  
11 as saying we need more volt amp checks.

12          Q       How about the NRC?

13          A       I don't know whether they identified it or  
14 not.

15          Q       What is the reference to the NRC there?

16          A       That is a goal that we had. We wanted to  
17 accomplish it.

18          Q       But it says audit findings through 2-83 from  
19 NRC. What -- what did the NRC do that you are relying  
20 on?

21          A       They did the same type of inspection. I can't  
22 tell you whether they pulled this out in particular or not.  
23 I don't know. I do know that it had been identified by our  
24 own auditors, internal auditors, and it had been identified  
25 on Mr. Ross' previous performance evaluation as items of

1 concern.

2 Q Does anybody have an answer on that? Is there  
3 an NRC inspection that produced this objective of spending  
4 sixty percent time in the field for first line supervisors?

5 A No, that is not an NRC requirement.

6 Q It wasn't?

7 A No. The sixty percent time was our own in-house  
8 goal that we are spending that much time in the field.

9 Q What was the NRC audit that is being responded  
10 to here?

11 A (WITNESS SHROPSHIRE) At times in the past the  
12 NRC recommended program for volt amp checks and we produced  
13 evidence that we had done it although there had been a  
14 question as to the number or frequency of times, and we  
15 tried to increase the frequency and that I think is  
16 what Mr. Allum is talking about.

17 A (WITNESS DAVISON) Tied into utilizing the  
18 inspector's time where he is not actually being called  
19 to perform an inspection, and he should be aware and be  
20 conducting these random inspections and to the degree in  
21 which they do that.

22 Q Yes.

23 A I think what I read there in regard to NRC findings  
24 is -- is under standard whereby any NRC findings that reflect  
25 that a particular supervisor has not done part of the job he is

1 supposed to do would be a factor in that person's  
2 performance evaluation. I don't think there is any  
3 reference to any individual NRC finding. I think what  
4 is being said, any NRC findings from now through  
5 February of '83 would be a factor.

6 Q Okay.

7 A If it impacted on this.

8 Q Okay. Fine. Now, Mr. Allum, on that point --  
9 that point about inspections, conducting inspections to  
10 see that procedures are properly followed, you rated Mr. Ross  
11 a 2. How did he fair by comparison to the other first line  
12 supervisors?

13 A (WITNESS ALLUM) I think about the same.

14 Q Okay. The other ones -- you had the same  
15 criticism?

16 A I think so.

17 Q The last individual item then is training  
18 inspectors in revisions and changes to procedures, and you  
19 gave him a 3 on that?

20 A Yes.

21 Q Now, real quickly, Mr. Allum, I know this  
22 is tedious. But what are the points here for Mr. Ross?  
23 Looking back through these several points that you rate him  
24 on, what are the points here for Mr. Ross where he rated  
25 less, as best you can recall, than his peers than his peers,

1 the other first level supervisors?

2 In other words, where his performance was  
3 singularly less than satisfactory as compared with the  
4 situation like that last one where all of the first level  
5 people were in need of corrective action. They all rated  
6 2 probably.

7 A I think in the area of interface, communications  
8 with other groups and departments.

9 Q Let's go down the list here and help me understand  
10 the ones you are referring to. I'm looking at Page 2.

11 A I don't have a page number on this.

12 Q I am looking at the second page, promote safety  
13 by -- et cetera.

14 A I don't have them in any kind of order. Let's  
15 see.

16 (Pause)

17 Q How about if you read the first couple of words  
18 and then I will know what you are talking about.

19 A Interface with other -- it's blocked out --  
20 communications with other groups and departments.

21 Q Okay. Wait a minute now. I don't see that one  
22 I'm afraid. Let me go down my list and tell me is --  
23 Mr. Ross -- is Mr. Ross worse than the rest of his peers on  
24 this point? To promote safety by holding effective  
25 safety meetings?

1 A No.

2 Q How about monitor attendance and reduce  
3 absenteeism? You rated him 3?

4 A No.

5 Q How about effective administration of the salary  
6 administration program? You rated him 2 there.

7 A I think that's the same.

8 Q To the best of your recollection, he did like  
9 everyone else on that?

10 A Yes.

11 Q The next is carry out responsibilities of QA  
12 and construction department QA procedures.

13 A Same.

14 Q Okay. The next one is resolving technical  
15 problems concerning quality.

16 A I would say that he was lower than the other  
17 ones.

18 Q Okay. Scheduling work force to support  
19 project schedule?

20 A About the same as the rest.

21 Q You rated him a 3 on that?

22 A One better than that.

23 Q Somebody did better than that?

24 A Yes. I can't recall whether that is true, but  
25 I think that is approximately so.

1 Q All right. Conduct inspections to make sure  
2 that procedures are being properly followed. He got a 2  
3 on that one?

4 A I think that's the same.

5 Q Ok . And then training inspectors in revisions  
6 and changes to procedures. He got a 3 on that one?

7 A Same.

8 Q Okay. So the only one we have identified as  
9 this -- as -- is the resolving technical problems concerning  
10 quality?

11 A Wrong.

12 Q And the last one, the general one.

13 A No. There is another one in there.

14 Q What is the other one?

15 A It talks of interface, communication with other  
16 groups and departments.

17 Q You look down the list and tell me which one that  
18 is.

19 A First one on the sheet that I have. That's as  
20 close as I can identify it to you.

21 Q First one on the sheet --

22 A Only one on that sheet.

23 Q Well, this is the attachment?

24 A Maybe. I see. It says interface, proper  
25 communications with other groups and departments. Right.



1 Yes.

2 Q Okay. And you already explained to me what that  
3 means, right?

4 A Yes.

5 Q So he -- Mr. Ross did less well than the  
6 other first level supervisors on those first two areas,  
7 right?

8 A Two plus the general one.

9 Q Two plus the general one. And did the others  
10 rate on average better than Mr. Ross?

11 A Yeah, I think they did. I know they did.

12 Q They all did?

13 A Rating. Yes, sir.

14 Q They all got at least a 3 except Mr. Ross?

15 A I think so.

16 MR. GUILD: Okay. All right.

17 JUDGE KELLEY: Let me just ask a question to  
18 clarify something on this.

19 MR. GUILD: Sure.

20 JUDGE KELLEY: I have a question for  
21 clarification about the rating system. I had understood  
22 up until you said something a few minutes ago, Mr. Allum,  
23 about the -- that a rating number such as a 2, the overall  
24 evaluation of a 2 represented some kind of an average or  
25 an average over a period of a year?

1 WITNESS ALLUM: Yes.

2 JUDGE KELLEY: And I believe you said that  
3 Mr. Ross deserved a 1 for the first seven months of  
4 that period overall before you switched systems?

5 WITNESS ALLUM: Yes, sir. And in the last five  
6 months with the new system, he was doing markedly better.

7 JUDGE KELLEY: But then I believe you said  
8 something to the effect that he got the 2 because he was  
9 a 2 at the end of the period, and I thought well, how  
10 can that be if he was only a 2 at the end of the period  
11 and the first seven months was a 1? Why isn't it lower?  
12 Is there a real average in there? You don't just take  
13 the last-minute I assume?

14 WITNESS ALLUM: What we did was the first seven  
15 months we identified him in the 1 area and we said in the  
16 other -- the last portion of the period there had been  
17 significant improvements in some periods although they  
18 weren't up to our expectation. He had made improvements  
19 from what it was before.

20 JUDGE KELLEY: I can understand that, but I am  
21 still trying to understand whether the number at the end  
22 of the year is an average or whether it's where the  
23 person is at the end of the year.

24 WITNESS ALLUM: The number on the worksheet here  
25 is the average for the year. The other ones are individual

1 listed for each particular item.

2 JUDGE KELLEY: It's that bottom line number. You  
3 are a 2 or a 3 or a 4. What did you get? You probably  
4 just give an overall number. Is that the year average  
5 or the end of the year number? I gather it's some kind  
6 of an average.

7 WITNESS DAVISON: It's the number you come up  
8 with at the end of the year that represents the number  
9 for the entire year.

10 JUDGE KELLEY: So it is an average?

11 WITNESS DAVISON: At that point in time, but it  
12 takes into account the performance over the entire year  
13 so that your performance could vary throughout the year  
14 and be different numbers at different times. It so happened  
15 that this coincided with the implementation of this  
16 PPPW system which tended to give you a period before that  
17 time and a period after that, that you averaged.

18 JUDGE KELLEY: Was there equal weight given  
19 to the seven months under the old system or was that just  
20 sort of looked at as a footnote and the main emphasis was  
21 on the five months under the new system? Can you say?

22 WITNESS DAVISON: That would be up to the  
23 individual supervisor to weigh that in proper weight.

24 JUDGE KELLEY: It is somewhat subjective. I am  
25 not saying that it shouldn't be.

1 WITNESS DAVISON: Yes. Yes. There is  
2 subjectivity.

3 JUDGE KELLEY: And if the person was on the  
4 upswing at the end of the year, he would probably get the  
5 benefit of the doubt in a favorable mark; and if he was  
6 getting worse every day, he might get a downside mark?

7 WITNESS DAVISON: Yes.

8 JUDGE KELLEY: Is that fair?

9 WITNESS DAVISON: That's possible.

10 JUDGE KELLEY: Okay. Thank you.

11 Is this a good enough place for a coffee break,  
12 Mr. Guild?

13 MR. GUILD: Yes, sir, Mr. Chairman.

14 (Recess)

15 (Board conferring.)

16 JUDGE KELLEY: Leave this off the record.

17 (Discussion off the record.)

18 JUDGE KELLEY: Okay. On the record.

19 Mr. Guild can resume his cross-examination.

20 MR. GUILD: Thank you, Mr. Chairman.

21 BY MR. GUILD:

22 Q So, Mr. Allum, looking at the other category,  
23 if you will, on your evaluation of Mr. Ross, that's  
24 the last accountability -- if that's a term I guess -- a  
25 noun -- accountability, that refers to the first seven months

1 of the period. You assign that a weight of 3, don't you?

2 A (WITNESS ALLUM) Yes, sir.

3 Q Why do you do that?

4 A That covered everything that was going on during  
5 the year for that period of time, and it covered both  
6 items that were covered as a 3 and items that were covered  
7 as 2 on the succeeding portions for the last part of the  
8 year.

9 Q Items that were weighted 3 and 2?

10 A Yes.

11 Q Okay. Is that a subjective decision on your  
12 part?

13 A Yes.

14 Q Okay. Did you assign a like weight for the  
15 first seven months of the other level supervisors review?

16 A I didn't have the same situation with the  
17 other supervisors in that some review dates came closer  
18 to the implementation of 3PW.

19 Q Yes.

20 A So their whole year would be indicated on the 3PW.  
21  
22  
23  
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1 A But, while I am able to monitor it --

2 Q Well, Mr. Ross' review period started, his  
3 annual review date was the 1st of April, right?

4 A Yes, sir.

5 Q He had other earlier ones?

6 A Yes, sir.

7 Q Did you use the first seven months, four  
8 months, five months, for the others?

9 A Yes, sir.

10 Q Did you weight down the same --

11 A Yes.

12 Q -- three?

13 A As far as I know.

14 Q You did treat them the same way?

15 A I believe so, yes, sir.

16 Q Except maybe the situation where there was  
17 only one extra month in there?

18 A I don't really recall what number was assigned  
19 to that. It was a very short period of time. I don't  
20 remember.

21 Q That would be the only different situation  
22 where you recorded last where there was a very short  
23 period of time?

24 A I believe that is correct.

25 MR. GUILD: Mr. Chairman, I think we have

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j-16a-2

1 marked and received the accountability summary.

2 MR. JOHNSON: If it hasn't been received, I  
3 object to it being received.

4 I request to please get with you.

5 JUDGE KELLEY: You can have this copy. Take  
6 a look at it.

7 MR. JOHNSON: Am I going to be supplied a copy?

8 JUDGE KELLEY: I think you should be.

9 MR. GUILD: I would move its admission. I  
10 would be happy to give Mr. Johnson a copy.

11 MR. JOHNSON: What about the worksheet? Are  
12 you going to move the admission of that?

13 MR. GUILD: I have. I am so moving.

14 JUDGE KELLEY: The two documents and the --  
15 take a minute -- take a look at it, and, Mr. Guild, I  
16 understand, has committed to providing copies when he  
17 can conveniently do so.

18 MR. GUILD: I think counsel for staff has  
19 seen those documents in depositions this summer, and the  
20 only reason I don't have copies right now, I didn't  
21 anticipate this coming up at this point.

22 MR. JOHNSON: For the record, I haven't seen  
23 this before. But it has not been made available.

24 JUDGE KELLEY: Let me make a suggestion,  
25 gentlemen.

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1 I think the Board had some role in pulling  
2 these papers in at this point in the case. I don't  
3 see why we can't have it moved in, the first thing  
4 tomorrow morning. Let Mr. Johnson take a look at it.

5 Mr. Wilson can see it. There is no  
6 reason to expect we won't have it in, that I know about.  
7 Let them have a chance to look at it.

8 MR. GUILD: They are my only copies. I have  
9 to have the original, if I am going to submit the copies,  
10 to make copies from, if I can get it back from them in  
11 time to do that.

12 I would appreciate it.

13 MR. JOHNSON: You will have it back before  
14 close of business today.

15 JUDGE KELLEY: You should have it back before  
16 close of business.

17 Mr. Wilson will have a chance to look at it,  
18 too. Then we will rule on the motion for its admission  
19 when they have managed to see it.

20 BY MR. GUILD:

21 Q Now, Mr. Allum, I want to direct your attention  
22 to, I think, what has previously been referred to as  
23 your interim evaluation of Mr. Ross.

24 A (WITNESS ALLUM) Yes, sir.

25 Q It is a two-page typewritten document with



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1 some handwriting on the front of it.

2 Do you have that?

3 A Yes, sir.

4 Q When did you do that, and how does it fit in  
5 with the two documents reflecting evaluations that we  
6 have just been discussing?

7 How does it fit in time, and what is the  
8 significance of it, if you would?

9 A The document was pretty much covered with the  
10 section that we said was the first seven months.

11 Q Okay.

12 A The time frame.

13 Q Okay.

14 JUDGE KELLEY: Is this the copy?

15 It is not too legible, that we are talking about.

16 MR. GUILD: No, this is an item that  
17 previously has been received, I think. Mr. Davison and I  
18 discussed it.

19 JUDGE KELLEY: What number?

20 MR. GUILD: I think it is No. 36, but my  
21 copy is not marked.

22 MR. WILSON: I think that is right.

23 MR. MC GARRY: I think that is right. It is 36.

24 JUDGE KELLEY: 36. All right.  
25

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1 BV MR. GUILD:

2 Q Generally speaking, in relation to the first  
3 seven-month period; is that right?

4 A Yes, sir.

5 Q Is it fair to conclude, Mr. Allum, that this  
6 document, your interim evaluation, is reflecting the  
7 basis for what you subsequently characterize as the 1  
8 rating?

9 A Yes, sir.

10 Q Now, that 1 rating is not a fair rating; is it?

11 A No.

12 Q That is poor, isn't it?

13 A I don't think the term is "poor."

14 Q What is the term that you attached to a  
15 No. 1 rating?

16 A I believe it is marginal.

17 A (WITNESS DAVISON): Marginal, I believe.

18 JUDGE KELLEY: Can I get that straight, to  
19 clear up the point?

20 Now, the document that we have just moved  
21 in, No. 50, I think on one of the pages, 1, 2, 3, 4, 5,  
22 is the scale, and the paragraph next to each one as to  
23 what is meant, I remember someone testifying about marginal,  
24 competent, and distinguished. I couldn't find any of  
25 those words in that document.

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1 I just would like to know if we are going to  
2 use those words, where do they come from?

3 WITNESS DAVISON: I believe those words  
4 are from the accountability summary appraisal.

5 MR. GUILD: From the old system?

6 JUDGE KELLEY: Maybe we could focus on one.  
7 At least, what I am referring to, I think, it is No. 50,  
8 which is sort of pending. The printed one, where Mr. Allum  
9 has contained on one of the pages the scale of 1 to 5  
10 and a description for each number.

11 WITNESS DAVISON: Yes. If you will look at  
12 the front page entitled "Accountability Summary and  
13 Appraisal," you have the performance levels 5, 4, 3, 2, 1  
14 on that front page.

15 JUDGE KELLEY: I gave mine to Mr. Johnson,  
16 unfortunately.

17 WITNESS DAVISON: And the description of  
18 what those performance levels mean.

19 JUDGE KELLEY: Yes, right.

20 WITNESS DAVISON: In the past, the terms have  
21 been used, 1 is marginal; 2 is fair; 3 is competent;  
22 4 is commendable; and 5 is distinguished, just as abbreviating  
23 terms to go along with those numbers.

24 But the description of the rating scale in  
25 front of it describes it.

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1 JUDGE KELLEY: Do you know where those five  
2 single words come from, or just part of the work?

3 WITNESS DAVISON: I believe there were some  
4 earlier revisions of the words, themselves. But they  
5 are not on the latest revision.

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j-16b-1

1 BY MR. GUILD:

2 Q If I may, does this reflect the former  
3 management plan?

4 A Yes.

5 Q Prior to the performance management plan you  
6 used a five-number rating scale to which were attached  
7 those quality characterizations; is that right?

8 A (WITNESS DAVISON): Yes. I am not too sure  
9 the numbers were involved there, but the terms were  
10 involved, and they would correspond to the numbers you see.

11 JUDGE KELLEY: What caught my eye is that  
12 these descriptions and numbers don't seem to fit the  
13 labels that were used before. The worst you could do  
14 is minimal under 2, which sounds more like minimum to me.  
15 It looks to me like the verbage got changed a little  
16 along with this description.

17 I may be wrong. I am just concerned about  
18 confusion.

19 If you start talking about minimal now,  
20 I would pick out No. 2. That is based on this description  
21 where I am told it is 3 and 1. That is, I guess, what I  
22 am trying to get at.

23 WITNESS DAVISON: My understanding is that  
24 the margin relates to a 1 on that document that you have  
25 there.

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1 Fair, 2. Competent, a 3. Commendable, a 4.  
2 And distinguished, a 5.

3 Those terms were basically abbreviations.

4 JUDGE KELLEY: That governs now these  
5 discussions?

6 WITNESS DAVISON: Yes.

7 JUDGE KELLEY: And the old single words  
8 sort of were a shorthand description?

9 WITNESS DAVISON: Yes.

10 JUDGE KELLEY: That helps me.

11 Go ahead, Mr. Guild.

12 MR. GUILD: Yes, Your Honor.

13 BY MR. GUILD:

14 Q What I am focusing on, Mr. Allum, is on your  
15 interim evaluation, the term "Fair" that is used.

16 A (WITNESS ALLUM): Yes, sir.

17 Q That reflected a previous rating of 2; right?

18 A Right. That reflects a previous rating under  
19 the previous evaluation system, which did not have a  
20 number assigned to it.

21 Q That was the previous evaluation for what period?

22 A The year preceding would be April '81 through  
23 April '82.

24 Q I thought he had done -- okay. I understand.  
25 But this document itself, in substance, is

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1 your interim evaluation which identifies the basis for a  
2 1 rating, doesn't it?

3 A Yes, sir.

4 Q And that's the one, that is equivalent to  
5 marginal?

6 A Yes.

7 Q The rating of 1 is tantamount to the description  
8 of what appears on the page, "Accountability Summary,"  
9 to the effect that immediate improvement is required?

10 A Yes.

11 Q And with respect to Mr. Ross, at the time of  
12 this interim evaluation, you made the finding, without  
13 improvement in these areas, Beau's continued assignment  
14 as a supervisor will not be appropriate?

15 A Yes, sir.

16 Q What does that mean?

17 A Basically that he needed to make significant  
18 improvements.

19 He needed to do it immediately.

20 Q All right.

21 A Or we would have to look at it to move him  
22 from a supervisor position.

23 Q What would you do if you removed him from a  
24 supervisory position?

25 A Have to cross that bridge. I don't know.

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1 Q What it means is demoting him, right?

2 A Not necessarily.

3 Q It doesn't mean promoting him, does it?

4 A No.

5 Q It doesn't mean put him off in a little staff  
6 job, does it?

7 A It could be where he could be effectively  
8 utilized. We could put him in another area.

9 Q It means removing him as a supervisor,  
10 doesn't it?

11 A Yes.

12 Q It means taking away from his responsibilities?

13 A It means that he would have different  
14 responsibilities if he went to other staff jobs that  
15 you spoke of.

16 Q Does it mean demoting him?

17 Did you understand it that way?

18 A No.

19 Q So it might not even be punitive, right?

20 A Right. No.

21 Q Did you tell Mr. Ross that?

22 A No, I didn't.

23 Q He didn't understand that without immediate  
24 improvement, he might lose his supervisor position?

25 A No. Between the time that this was written,



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1 and the time it was communicated to him, as reflected  
2 in his performance appraisal, his improvement, his  
3 performance had improved.

4 And it had improved significantly so that it  
5 was not a question anymore. And that is as stated in  
6 his performance appraisal.

7 Q Help me tie down those dates, Mr. Allum.

8 When did you do the typewriting here that  
9 included that so, if you will, dire conclusion about  
10 his continued supervisory responsibilities?

11 A I believe that this would be in the  
12 neighborhood of late September of early October.

13 Q Of what year, sir?

14 A 1982.

15 Q Is it fair to say that is when things were  
16 the worst?

17 A They were bad. Yes.

18 Q Do they get any worse than that, in your opinion?

19 A Mr. Ross' performance changed drastically,  
20 as of a short time after the first of November.

21 Q What I'm asking, is it fair to say that  
22 this reflects Mr. Ross' darkest hours, in your evaluation  
23 of his performance?

24 A Those are your words.

25 Q I want to know if there is something lurking

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1 out there, Mr. Allum, that you haven't told us about, sir,  
2 that reflected adversely on Mr. Ross. I would like you  
3 to tell us, or is this it?

4 A No. This is a summary of his evaluation  
5 up until that time.

6 Q And the worst one?

7 It reflects the worst performance on his  
8 part that you are aware of; is that right?

9 A Yes.

10 Q Now, is this your handwriting?

11 It is very obscured. Is that your handwriting,  
12 Mr. Allum?

13 A Yes, sir.

14 Q When did you do that, sir?

15 A I believe it was the latter part of November  
16 or early December. I don't know.

17 Q I have got a note here, and this is added to  
18 my copy. It says 12-6. Does that sound about right?

19 A Yes. Early December.

20 Q Okay. Now, who were you communicating to  
21 when you did the typewriting? The summary evaluation,  
22 who was that for?

23 A Who was that for?

24 Q Yes.

25 A That was for me.

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1 Q You were writing to yourself?

2 A Yes.

3 Q For what purpose?

4 A Communicating with Mr. Ross.

5 Q But you didn't give it to Mr. Ross?

6 A I communicated it, what was written in this  
7 memo. I did not communicate it so that he did  
8 need to make significant improvement or we would remove  
9 him from his supervisory area.

10 Q What else did you communicate with him?

11 A That was it.

12 Q Why did you leave that part out?

13 A Well, because it was not applicable.

14 He had made improvements that we were seeking, that I was  
15 seeking.

16 Q Hold on one second.

17 You said again when you wrote this thing was  
18 about --

19 A I would guess it was about late September,  
20 early October.

21 Q When did you communicate to Mr. Ross?

22 A I think we said 12-6, December.

23 Q You say that you wrote the handwriting on  
24 here?

25 A Yes.

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1 Q Why did you wait until October, November --  
2 why did you wait three months to communicate it to him?

3 A Mr. Ross was gone a period of time. He had  
4 some personal problems that he was taking care of.

5 Q So he wasn't on the job for those three months?

6 A No, he was there part of that time, but he  
7 was in and out. He had some problems that he had needed  
8 to take care of. I didn't consider that it was a proper  
9 time to compound his problems.

10 Q To do what?

11 A I didn't think it was a proper time to  
12 compound his problems.

13 Q To compound?

14 A So he was working on, I think, his wife --  
15 his wife was ill or something, I forgot which way it was.

16 Q You reached this evaluation of him, but  
17 because of your desire not to compound his problems,  
18 given his personal situation, you didn't communicate this  
19 to him?

20 A That's right. In fact, he wasn't there  
21 part of that time.

22 Q I can appreciate a natural concern for  
23 someone's personal situation, Mr. Allum, but if in fact  
24 you held the view that you would, without significant  
25 improvement -- he was going to lose the supervisory job,

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1 was it being charitable not to tell him that at the time  
2 when he needed to address those problems, when you  
3 identified them back in September, October?

4 A He wouldn't know that problem, nor would I  
5 hold that accountable to him until after I communicated  
6 it to him.

7 Q So the fact that you reached that conclusion  
8 didn't mean you were going to use that against him  
9 until you had a chance to tell him about it; is that fair?  
10 You didn't tell him about it?

11 A I didn't tell him about it. I didn't tell  
12 him about any of it until that date indicated.

13 Q Did anybody else get a copy of this  
14 interim evaluation at the time you wrote it?

15 A I'm sure they did, but I don't know.

16 Q Did you circulate it to your boss or to  
17 anybody else?

18 A I imagine I did. I don't know. I  
19 just don't remember.

20 Q Did you get it, Mr. Davison?

21 A (WITNESS DAVISON): Yes, I saw it, I think, as  
22 I recollect the events, Mr. Allum originated that  
23 document. I don't remember the time frame. I believe  
24 he turned that in through his supervision. I saw it.  
25 I'm not sure whether I talked with Mr. Grier about it or not.

1 I believe I did. That might account for some of the time  
2 frame from the time it was started until it was communicated  
3 to Mr. Ross. Although, as I recollect the events,  
4 shortly after that, it was put down, the improvement was  
5 noted by Mr. Allum, so that the situation changed  
6 through the time the document had first been drafted until  
7 it was back in the hands ready to be communicated.

8 So that the situation that needed to be  
9 communicated at that time was not the way it was when it  
10 was originally started.

11 Q Mr. Davison, you knew about it about the time  
12 Mr. Allum wrote this, September, October?

13 A Yes, sir, my recollection is, I recall it.

14 Q And you knew that, if you will, of the  
15 dire conclusion that Mr. Allum was drawing about removing  
16 these areas of Beau's assignment as a supervisor would not  
17 be appropriate?

18 A Yes.

19 Q You were aware of that?

20 A Yes.

21 Q You concurred in that?

22 A Yes.

23 Q You passed that information on to Mr. Grier  
24 about that time?

25 A I feel sure I would have. I can't specifically

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1 remember sitting down and talking with him about that  
2 situation.

3 Q But in any event -- well, everybody seemed  
4 to be aware of this in management within the QA hierarchy,  
5 except Mr. Ross, the subject of this evaluation.

6 Did you also concur in the decision to  
7 withhold informing Mr. Ross of this interim evaluation  
8 for some three months solely out of concern for his  
9 personal situation?

10 A No. Again, the process of Mr. Allum's  
11 originating that, sending it up the chain for review,  
12 coming back down during that period of time, improvement  
13 was noted, and that was added to the form by Mr. Allum.

14 Certainly the intent was to communicate  
15 this interim evaluation to Mr. Ross. But also, at the  
16 time, it be communicated that it be for information, if  
17 improvement had been noted that it so be put on the form,  
18 and that be communicated to Mr. Ross.

19 Q Well, it seems to me that one of the tenants  
20 that I understood you to advocate of your performance  
21 management system, Mr. Davison, was that you let your  
22 people clearly know what was expected of them, and you hold  
23 them to some kind of objectives; isn't that right?

24 A Yes.

25 Q But Mr. Ross is out there, if you will,



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1 twisting in the wind with an observation by his immediate  
2 supervisor that he is going to get relieved of his duties  
3 if he doesn't show improvement.

4 And you are not telling him about any of  
5 that stuff. How does that square with the performance  
6 management plan, sir?

7 A Again, sequence of events.

8 The performance management plan was implemented,  
9 I believe, October, November, 1982.

10 This interim evaluation was done prior to  
11 that time and was done for the very purpose that you  
12 were talking about, that if we notice a problem with  
13 the performance of an individual, that we certainly want  
14 to communicate that to the individual.

15 Mr. Allum did this interim evaluation, had  
16 reviews on it during the period of time it was done.  
17 He noted that there had been improvement.

18 The situation had changed. Certainly, that  
19 needed to be reflected, too.

20 Q Right.

21 A Then, from the period of time that that guy  
22 communicated it to Mr. Ross, it may have also been a factor  
23 of his personal situation, Mr. Allum was already stating  
24 this --

25 Q Let me understand this. Aside from what may



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1 have caused it, the performance management plan, or just  
2 good management, you know, November '82, September '82,  
3 whenever, is it consistent with Duke's policies that  
4 supervision writes up evaluations of people in Mr. Ross'  
5 position, detailing very negative things about them, and  
6 dire observations about their continued viability in  
7 their position of trust and responsibility, and sits on  
8 it for three months?

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1           A           (WITNESS DAVISON) No, certainly not in the  
2 context you put that. I do think that -- that if such  
3 an evaluation is deemed necessary, and it's done, and  
4 it may take several months for that to get finalized,  
5 and that would be communicated, and if the situation  
6 changes in that period of time, that that would be  
7 communicated, and that it what is done.

8           Q           Let me see if we can -- Mr. Allum, do you have  
9 something?

10          A           (WITNESS ALLUM) I think that was formerly  
11 identified. There were numerous occasions in the  
12 interim where we spoke of these between Mr. Ross and  
13 myself.

14          Q           All right.

15          A           And he was aware of the areas that he needed  
16 improvement.

17          Q           Okay.

18          A           It wasn't like turning off a light one day  
19 and say, here, we are changing our game plan.

20          Q           Fine.

21          A           He was aware of the objectives that had been  
22 set and how I viewed his performance.

23          Q           Okay. I appreciate that. You, Mr. Allum,  
24 having a dialogue, exchange about his work, some positive  
25 and some normal. This is the normal relationship between

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1 a supervisor and a supervisee, but I understood that  
2 the evaluation process, the management process, is  
3 to reflect some degree of formality in that evaluation.  
4 Sit down and tell somebody what is expected of them, right?

5 A Yes.

6 Q And here you've got a very negative conclusion  
7 on your part that you didn't communicate to Mr. Ross  
8 when you reached that conclusion. You didn't communicate  
9 to him at all because, as you say, three months later  
10 there were changes.

11 Gentlemen, generally what I want to understand  
12 is this. Mr. Ross makes the statement in his direct  
13 testimony and in his recourse about discrimination in  
14 his complaint that he is being retaliated against for  
15 expressing his concern. He makes the case in essence  
16 that Duke is building a case against him. Okay? That  
17 Duke is getting ready to hang him out to dry and give  
18 him bad evaluations over a period of time. Either get  
19 him out of his supervisory job where he is causing  
20 problems, or let him get to the point where there is  
21 no more QC going on, because you are not constructing  
22 anything anymore, and then he will be just laid off,  
23 and he says that. Why shouldn't a fair reader, when  
24 you, Art Allum, write up the document, making the very  
25 serious conclusions about Mr. Ross -- if you communicate

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1 it up the chain of command to your boss and your boss  
2 and his boss, yet you don't communicate it to the subject  
3 of the evaluation, why shouldn't a fair observer conclude  
4 that you were in fact building a case against him?

5 Because --

6 MR. MC GARRY: Objection. I think this  
7 question has been asked and answered four or five times.  
8 We refrained from objecting the other times, but right  
9 now, in the area where Mr. Allum and Mr. Davison have  
10 been asked why didn't they tell Mr. Ross about the  
11 prospect that he may be moved from his job if he doesn't  
12 improve. That is the fifth time and coming out a little  
13 differently, but the same question.

14 MR. GUILD: The bottom line point, Mr. Chairman,  
15 is this. I would say that as it stands -- I will  
16 characterize this as building the file against Mr. Ross  
17 in the absence of using it in the normal course, as  
18 they describe their performance management plan. That is,  
19 you do an evaluation and you communicate it to the man.

20 Now, the question I have pending is, why  
21 shouldn't it be read as simply building a file against  
22 Beau Ross, since it wasn't communicated to him?

23 MR. MC GARRY: That is a fair question.

24 JUDGE KELLEY: Let's go with that as the  
25 question on this line, and get an answer to it.

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1                   WITNESS DAVISON: Certainly it's not a file  
2 to build against Beau Ross. We indicate on there what  
3 the evaluation is of his performance, and indicate  
4 both the positive and negative, and certainly there is  
5 no intent to build a file against Mr. Ross by that document.

6                   WITNESS ALLUM: If I might add.

7                   BY MR. GUILD:

8                   Q       Sure.

9                   A       (WITNESS ALLUM) I could have communicated  
10 the thing to him probably the 1st of November.

11                  Q       All right.

12                  A       However, as I said, I had noticed an  
13 improvement in his performance. I did not feel it was  
14 appropriate to go ahead and tell him his performance  
15 was bad, where he was working on getting it up. Let him  
16 establish a level, and then tell him we had these same  
17 problems. Hopefully they are behind us and you are  
18 on the right track. Let's keep it moving.

19                  Q       That is fine, Mr. Allum. And you say that you  
20 wrote this thing at the end of September, first of  
21 October, and I hear you just now saying you could have  
22 communicated it to him in November?

23                  A       If we disregarded several other things  
24 saying that he was there all that time, and that -- other  
25 factors -- that his improvement was, performance was

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1 improving.

2 Q The other factors -- his personal situation?

3 A Yes.

4 Q Why November? Do you have to get approval  
5 from your supervision?

6 A No. What had happened is, we have said before  
7 that the PPPW's went into effect the 1st of November.

8 Q I see.

9 A And that's when up until that date his  
10 performance was not good. He was not accepting his  
11 responsibilities. After that time, the PPPW had been  
12 written, and he accepted it. He took action to meet  
13 the goals that were established.

14 (Pause)

15 Q Okay. And that's the worksheet that you composed  
16 in November; is that correct?

17 A Yes, sir.

18 Q Okay. So you did communicate with Mr. Ross  
19 in November, right?

20 A Yes.

21 Q Okay. You just didn't communicate the worst  
22 part of the message that is contained in this document?

23 A Yes. I had told him that his performance was  
24 less than satisfactory, and that it was in need of  
25 improvement.

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1 Q And that is reflected in the face of this  
2 worksheet?

3 A No, I don't think so. The face of the worksheet  
4 had pretty much uniform goals for everyone to accomplish.  
5 Accountabilities that they were to work towards.

6 Q So the specific improvements that you were  
7 expecting from Mr. Ross -- they are not included here  
8 any different from anybody else in that position?

9 A No.

10 Q Why not?

11 A I don't know of any items specifically that --

12 Q Why not?

13 A -- that were addressed tailored to Mr. Ross  
14 personally.

15 Q Well, focus on just this. You did a worksheet  
16 the 1st of November telling Mr. Ross the things he had  
17 to accomplish, his objectives, if you will. Just before  
18 that, you reached the conclusion that continued assignment  
19 as a supervisor will not be appropriate without improvement.

20 Now, what are the things on this worksheet that  
21 identify that improvement that is required of him -- facing  
22 the risk he is going to lose his supervisor job?

23 A All the items on the worksheet identify areas  
24 that -- the standards that we expect him to achieve. If  
25 those goals were met, he had done what he was supposed to do.



1 He was working on it.

2 Q Okay. Okay. But one of the accountabilities  
3 and objectives that you didn't tell him at the time  
4 that you did the November worksheet was that his job  
5 was in the balance.

6 MR. MC GARRY: Objection.

7 JUDGE KELLEY: Sustained.

8 (Pause)

9 MR. GUILD: Okay. I will be honest, Mr.  
10 Chairman. I forgot that they did the worksheet when  
11 we were talking about this interim evaluation, communicating  
12 it to him in December. I forgot there was a November  
13 worksheet, and that's the point of asking this question.

14 Why didn't he bring it up then? He didn't.

15 (Pause)

16 BY MR. GUILD:

17 Q Okay. Now, Mr. Allum, subsequent to the  
18 evaluation you performed on Mr. Ross -- that would be  
19 the evaluation for the period ended April of '83, you  
20 acknowledged that Mr. Ross filed a recourse complaining  
21 about you and that that evaluation is discriminatory,  
22 right?

23 A (WITNESS ALLUM) Would you say that again?  
24 I lost you.

25 Q Mr. Ross filed a recourse against you about



1 that evaluation after the last annual evaluation you  
2 did on him, right?

3 A Yes, sir.

4 Q Okay. And he said that that evaluation --  
5 among other things -- was retaliatory, it was illegal,  
6 that it violated 10 CFR, Part 50, and that it was  
7 in reprisal against him for expressing safety-related  
8 concerns, right?

9 A That's what he said. That's what he said.

10 Q Okay.

11 And, Mr. Davison, after the second level --  
12 after Mr. Willis looked at it, Mr. Davison, you investigated  
13 that recourse and talked about that in some detail  
14 earlier?

15 A (WITNESS DAVISON) Yes.

16 Q All right. And you, Mr. Davison, concurred  
17 with Mr. Allum's recommendation -- evaluation of  
18 Mr. Ross in substance and rejected Mr. Ross' complaints  
19 about discrimination, didn't you?

20 A That's correct.

21 Q Okay. And subsequently Mr. Allum has been  
22 transferred once again. He no longer is over Mr. Ross  
23 and his crew; isn't that right?

24 A That's right.

25 Q Okay. Now, when did you get transferred last,

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1 Mr. Allum?

2 A (WITNESS ALLUM) 13th of June, I believe.

3 Q Of 1983?

4 A Yes.

5 Q Mr. Allum, describe the circumstances of  
6 your most recent transfer.

7 A The inspection superintendent was being  
8 transferred. The mechanical QC engineer was going to  
9 fill that inspection superintendent's position, and  
10 I went to the QC mechanical division.

11 Q Okay. Why?

12 A There were openings for Mr. Willis in  
13 operations QA. They needed to fill that position. They  
14 chose Mr. Goodwin -- Mr. Goodman to fill that position.  
15 And they chose me to fill his.

16 Q Okay. You are mechanical QC now?

17 A Yes.

18 Q And who is over Mr. Ross in the welding  
19 inspection?

20 A Mr. Baldwin.

21 Q Part of the welding inspectors were supervised  
22 by Mr. Bulgin, B-u-l-g-i-n?

23 A Yes.

24 Q And where did he come from?

25 A McGuire.

1 Q How did you learn about your transfer?

2 What were the circumstances, Mr. Allum?

3 A Mr. Willis informed me that I was going to  
4 be transferred.

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1 Q Did he explain why?

2 A Yes, sir.

3 Q Did he say anything more than what you just got  
4 done saying?

5 A That's probably pretty close to a quote.

6 Q Okay. Did you have any conversation  
7 with Mr. Davison about that subject?

8 A No, sir.

9 Q No?

10 A Not that I can -- no formal communication. Maybe  
11 asked me how I liked it or what I thought of the idea.

12 Q Okay. Did he offer any observations about the  
13 basis for that transfer?

14 A Yes.

15 Q What did he say?

16 A I quote what I said before.

17 Q Just the same?

18 A Yes, sir.

19 Q Okay. Mr. Davison, describe the circumstances  
20 of Mr. Allum's transfer.

21 A (Witness Davison) There was an opening in  
22 operations QA at Catawba, senior QA engineer position, and  
23 Mr. Grier informed me that people they were looking at to  
24 fill the position was Mr. Willis and later he informed me tha  
25 Mr. Willis had been selected and asked for my recommendation

1 as to who should replace Mr. Willis. I discussed that with  
2 Mr. Willis and recommended Mr. Goodman be promoted to that  
3 position, and during that same discussion with Mr. Willis, we  
4 evaluated who would take Mr. Goodman's place, decided that  
5 Mr. Allum could do that, and Mr. Bulgin, who had been a  
6 technical supervisor at McGuire in welding in the NDE area,  
7 could be transferred down to take Mr. Allum's place.

8 Q Um-hum. Did you, Mr. Davison, evaluate the  
9 relative communication skills of the various people  
10 involved in this transfer?

11 A That was not a major factor in the decision.

12 Q Did you do it?

13 A I don't know that we ever looked at communication  
14 skills in and of itself. We evaluated people taking into  
15 account their performance, their background, their experienc-,  
16 making a decision as to who should replace Mr. Willis and  
17 Mr. Goodman.

18 Q Okay.

19 A Also the availability of people from other  
20 sites. Of course, Mr. Bulgin was available during that time  
21 frame from MrGuire.

22 Q Okay. Well, you've heard -- and I understand  
23 you participated in or concurred in Mr. Allum-s evaluation of  
24 Mr. Ross, right?

25 A As with any superviso- of exempt employees at

1       Catawba in projects division, I will see the performance  
2       review of that individual and will sign that indicating that  
3       I have seen that and concur with that.   Yes.

4           Q       Isn't that a long way of saying you did?   The  
5       answer is yes?

6           A       I do with him as I do with all of them.

7           Q       Fine.   Fine.   And you concurred in Mr. Allum's  
8       evaluation of Mr. Ross's communications problem.   Right?

9           A       I don't know that I follow you exactly there.  
10      Would you say that again.

11          Q       Sure.   You agreed with what Mr. Allum character-  
12      izes as Beau's communication problem.   He used the word  
13      communication.   Right?   As a principal area where he  
14      thought Mr. Ross's performance was deficient?

15          A       Yes, that is one area.

16          Q       And you concur in that, right?

17          A       Yes.

18          Q       Mr. Davison, we are now back -- it's like  
19      history repeating itself.   12-81, Larry Davison to Jim  
20      Wells.   Remove Beau who management see as a block to  
21      communication.   Weren't you hearing Mr. Allum saying the sam-  
22      things that came out of your own mouth?   Mr. Ross is a  
23      communication problem, a block to communication?   Isn't  
24      that the same thing that in substance that Mr. Allum was  
25      concluding about Mr. Ross in the 1983 time frame?

1           A       There were some communications problems there that  
2 I think Mr. Allum has described.    Yes.

3           Q       Okay.   And in 1981, December of '81, you also  
4 were sort of observing the other side of the coin, that the  
5 person who was the second level inspecting supervisor at the  
6 time, Charles Baldwin, was seen as a block to communication  
7 by the welding inspectors, right?

8           A       Yes.    That was a perception on my part.

9           Q       Okay.   Well -- and you yourself identified  
10 some communications deficiencies on the part of  
11 Mr. Allum in the process of reviewing Mr. Ross's recourse  
12 about his evaluation and the exchanges between the two,  
13 didn't you?

14          A       Yes.    That's correct.

15          Q       Okay.   What I want to understand is this.  
16 Is it your testimony, Mr. Davison, that in a fashion comparable  
17 to the rationale behind the '81 -- December, '81, transfers,  
18 is it your testimony that improving this communications  
19 involving Mr. Ross and his supervisor played no part in your  
20 decision to transfer Mr. Allum and replace him with Mr. Bulgin?

21          A       No, it did not.   I can't recall when the exact  
22 decision was made, but I believe that decision was made  
23 before Mr. Ross's recourse had even gotten to me.   It may  
24 have been even before he had filed his recourse.   I can't  
25 recall when that was, but, no, it played no role in that.

          Q       So you didn't see Mr. Allum as a block to



1 communications and try to -- and in any way, shape, or  
2 form try to address Mr. Allum's communications problem  
3 by way of this transfer?

4 A The transfer of Mr. Allum to the mechanical  
5 area had nothing to do with any communications problems  
6 that I might have identified with Mr. Ross's recourse or any  
7 other situation.

8 Q Nothing to do with communications problems by  
9 Mr. Allum regardless of how you learned about them?

10 A That's correct.

11 Q Okay. So if welding inspectors held the view  
12 that Mr. Allum was removed because he was a block to  
13 communications or because of his communications problems,  
14 they would be in error?

15 A That's correct.

16 Q And you are not aware of welding inspectors  
17 holding that view?

18 A I am not aware of any welding inspector holding  
19 that view.

20 (Pause.)

21 Q All right. Now, let me see if I can put this  
22 to you. We've come a big circle from December of '81.  
23 There has been a lot of reshuffling. There has been some  
24 significant changes in quality assurance management at the  
25 very top. Mr. Wells has been replaced. There has been a



1 shift in the supervision over welding inspectors now several  
2 times. In the face of all of the documentation that  
3 Mr. Beau Ross has come forward with about first his  
4 technical concerns, his concerns about the QA program and  
5 work relationships, and his concerns about retaliation  
6 against him, he appears to be the survivor in it all.

7 Mr. Beau Ross is still there. Now, what I want to  
8 understand is your opinion about this first, Mr. Davison.  
9 Why is Beau Ross still hanging in there? Why is he still  
10 there in the face of all of his explicit, expressed concerns  
11 about discrimination and pressure and, sir, if you  
12 know, does his personal situation have anything to do with  
13 the fact that he has no choice but to hang in there at Duke  
14 Power Company? Can you tell me that, sir?

15 A That was a very long question, sir. I  
16 disagree with your characterization that Mr. Ross is the  
17 survivor. I don't think that is accurate.

18 Secondly, why is Mr. Ross still there?  
19 Mr. Ross is still there because he has performed his  
20 job in a manner that does not indicate that he needs to be  
21 replaced for any reason performancewise. There was a  
22 period of time where that was a question, that period of time  
23 is now. He is a competent individual. For the most part  
24 he performs his job very well. We have to evaluate  
25 people's performance on a relative basis. He has some areas

1 of weakness. Other supervisors have areas of weakness.  
2 That is not a reason for him not being there, and I think  
3 the third part of your question is, does Mr. Ross -- Mr. Ross  
4 have any other choice? Maybe that is the reason why he is  
5 still there. And I certainly feel that a man -- a man  
6 with Mr. Ross's background would have a choice of leaving  
7 Duke if he so desired. I don't see anything that would  
8 prevent him from doing that.

9 Q All right, sir. You are not -- you're not  
10 aware then of any personal considerations on Mr. Ross's part  
11 that make it as a practical matter untenable for him to  
12 consider in the face of all the pressure he faces, leaving  
13 Duke Power Company voluntarily?

14 A What do you mean by personal considerations?

15 Q Well, you are aware of his personal situation,  
16 aren't you, Mr. Davison?

17 A (No response)

18 Q And you are aware of difficulties Mr. Ross has  
19 had with his family, his personal situation?

20 A No.

21 Q To be delicate, alluded to by Mr. Allum?

22 A In any detail I am not aware of all of the  
23 personal situation.

24 A (Witness Allum) The personal situation I was  
25 talking about was medical problems that his wife was

1 having. Nothing that had to do with his personality or  
2 personal life.

3 Q That's right.

4 A It was -- had to do with the medical problem.

5 Q That's right.

6 A If you asked the question could he seek outside  
7 performance, he told me at one time that he considered  
8 taking another job, and he decided he was better off  
9 with Duke Power Company.

10 Q All right. All right. Are you aware of the  
11 significance of Duke's employee medical coverage for  
12 Mr. Ross?

13 MR. MC GARRY: I object to this question. We  
14 let the last one go. I think we are now getting  
15 pretty far afield.

16 JUDGE KELLEY: Objection to relevancy. Is  
17 that correct?

18 MR. MC GARRY: Yes.

19 JUDGE KELLEY: Mr. Guild?

20 MR. GUILD: I think it speaks for itself,  
21 Mr. Chairman. It's a matter -- it's on delicacy but let's  
22 get the record as clear and complete with respect to the  
23 delicacy and the privacy of the individuals as best we can  
24 here. If these gentlemen have something else to offer on  
25 the subject as to Mr. Ross' personal situation that bears on

1 his status, if you will, I'd ask that they offer it.

2 JUDGE KELLEY: Isn't Mr. Ross the best one  
3 to tell us about that if he wants to?

4 MR. GUILD: Yes, I'm sure he will. I just  
5 want to understand if these gentlemen have something from  
6 their point of view that needs to be offered on that --  
7 on that subject. They will be gone when Mr. Ross -- when  
8 Mr. Ross comes.

9 JUDGE KELLEY: All right. I think that the  
10 pending question is really better put to Mr. Ross if  
11 you want to get it in the record. Sustain the objection.

12 MR. GUILD: All right.

13 JUDGE KELLEY: How about a five-minute stretch and  
14 then we will come back and quit.

15 MR. GUILD: That's fine.

16 (Recess)

17 JUDGE KELLEY: We will go back on the record  
18 and plan on going another half hour or so.

19 You may resume.

20 MR. GUILD: Thank you, Mr. Chairman.

21 BY MR. GUILD:

22 Q All right. Mr. Allum, would you turn, please,  
23 sir, to Page 4 of your prefiled direct testimony. Mr. Allum,  
24 first, who assisted you in preparing your prepared direct  
25 testimony, please, sir?

1 A (WITNESS ALLUM) Who assisted me?

2 Q Yes.

3 A I wrote it. I discussed it with Mr. Gibson  
4 I believe.

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1 Q Okay. Now, Page 4 in response to the question  
2 set out beginning at Line 1 there. You say -- you  
3 answer in part, in the past inspectors have written NCI's  
4 that were improper, incomplete, and poorly described. Do  
5 you follow me there?

6 A What line?

7 Q Reading from Line 9, Page 4.

8 A All right. Okay. This led to the decision  
9 a few years to have a technical review to eliminate  
10 unnecessary NCI's.

11 Q Okay. What did you have reference to there?

12 A NCI's that were -- had improper descriptions  
13 or NCI's that were incomplete or illegible or ones that  
14 were written on nonsafety type items.

15 Q Okay. So illegible NCI's, incomplete NCI's,  
16 and invalid NCI's?

17 A Yes.

18 Q Okay. What was the decision a few years ago  
19 that you had reference to there?

20 A As an aid to have the technical review on the  
21 NCI.

22 Q Okay. And how was that -- that decision  
23 accomplished?

24 A I'm not sure.

25 Q What happened?

1           A       We had a technical review that put in the NCI  
2 process, the review process.

3           Q       Okay. And that was -- that was a significant  
4 revision to the Q1 procedure?

5           A       I'm not sure it was significant.

6           Q       It's significant enough for you to flag it in  
7 your testimony, right?

8           A       If we read the question, it asks if I feel that  
9 it was improper, and I was using that as a means of  
10 describing my thoughts.

11          Q       So you don't think it was significant?

12          A       No, I don't.

13          Q       Oh, okay. Well, was it a revision to the Q1  
14 procedure?

15          A       Yes.

16          Q       Do you know what revision it was or about what  
17 time it was, when it was adopted, Mr. Allum?

18          A       I don't know.

19          Q       Any of you other gentlemen -- can you help?

20          A       (WITNESS DAVISON) I'm not sure. I believe  
21 the technical review block was added in the spring of 1981.  
22 Prior to that time it had been the senior engineer review,  
23 I believe.

24          Q       Well, what I thought was serious about this --  
25 Mr. Davison, I'm talking to you I guess -- is that I



1 understood going back to day one of the project, someone  
2 was reviewing -- you in particular were reviewing NCI at  
3 the origination stage or -- in your words -- completeness,  
4 clarity, and validity. Right?

5 A That's correct.

6 Q What was the business a few years ago to change  
7 and put in a technical review? Didn't you always do  
8 that?

9 A Yes, I did. That was always done. I think the  
10 description of the review was changed from senior engineer  
11 review to technical review. The purpose was still the  
12 same.

13 Q Was there any significance to that change then?

14 A No.

15 Q Well, Mr. Allum, why do you make the point then?  
16 If they always did it, what is the point there?

17 A (WITNESS ALLUM) This was adding -- a supervisor  
18 in the chain to review these. It didn't -- in addition to  
19 reviewing for validity and correctness and those sort  
20 or things -- it was an aid.

21 Q What I want to understand is what substantive  
22 change was there that you flagged here in your testimony  
23 to correct the identified problem. If Mr. Davison was  
24 always performing that review -- and he was senior QC  
25 person on the site -- what better review are you going to

1 get than having Mr. Davison do it?

2 A I don't think I alluded to having a better  
3 review. We had a more complete review because we had more  
4 people in the review status.

5 Q What?

6 A More -- different people making the review.  
7 More people.

8 Q So you added more people kind of below Mr. Davison's  
9 level?

10 A Yes.

11 Q And, Mr. Davison, was your review sort of outside  
12 the procedure? I mean was the response to this the  
13 procedure at the time?

14 A (WITNESS DAVISON) Yes.

15 Q And it was called what at the time?

16 A Senior engineer review as I recall.

17 Q Okay. And I guess maybe I'm trying to --  
18 well, you tell me. Is there any point to this observation  
19 by Mr. Allum here in your opinion, Mr. Davison?

20 A I think in that time frame was the time  
21 frame that we recognized that we needed to do a better  
22 job of that review, meaning that the NCI's were more  
23 clearly described, were written where they needed to  
24 be written, and if there was other ways to handle the  
25 situation that were appropriate, that they be used.

1 Q Okay. So -- but you were already doing that,  
2 right?

3 A I did that previously. Yes.

4 Q You had done it. So tell me who was put into  
5 the process to -- to you know -- add to what you were  
6 already doing, Mr. Davison?

7 A I think the change there was one of terminology  
8 from senior engineer review to technical review. More  
9 clearly describe what that review was and also the change  
10 in people. Of course, I had left the site in February of '81,  
11 and technical supervisors and QC engineers picked up that  
12 function of doing that review, and it was just changed  
13 to be called the technical review.

j-18a-1

1 Q Well, you left the site, you left the site as  
2 you previously discussed. Mr. Baldwin took over the  
3 responsibility for reviewing your origination of NCI's,  
4 in essence, the technical review?

5 A Yes. That was a technical review in his  
6 area.

7 Q Is there something beyond that that I am  
8 missing? What is the review this refers to beyond what  
9 you did first, and then Mr. Baldwin did after you left  
10 to go to Charlotte?

11 A As I said, I don't think there is anything  
12 missing there. I think that is basically the same review.

13 Q All right, sir. So Mr. Allum, you are talking  
14 about what? In effect, we get personal about this. So  
15 we know who we are talking about.

16 This is Mr. Baldwin coming to this, is it?

17 A (WITNESS ALLUM) No. I was the one.

18 Q You were, in your area?

19 A Yes.

20 Q And Mr. Baldwin, in his area.

21 A Yes.

22 Q I follow you now.

23 If it is true, Mr. Allum, then, that this  
24 change did what you said it did, cut down on the improper  
25 NCI's, and caused NCI's to be better written, how did it

j-18a-2

1 do that?

2 A Because at the level we were reviewing them,  
3 the problems were identified with the NCI, and incomplete  
4 information, or lack of clarity, or things of that  
5 nature, the inspector fixes them so that they were  
6 inapparent, and we processed them.

7 Q Fixed them, or did away with them altogether?

8 A I don't know of any cases of my own that  
9 were done away with.

10 I do know of numerous cases where we had to  
11 have interpretations from the NCI.

12 Q Aside from making editorial changes on the  
13 face of the document, you know, making sure that it is  
14 clear what it is talking about, if in fact this technical  
15 review did what you said here, which cut down on the  
16 improper NCI's, I mean, you eliminated a bunch of NCI's  
17 this way by the practice of verbal voiding, didn't you?

18 A No, I didn't see anything in there about verbal  
19 voiding.

20 Q The judgment to void an NCI is based on  
21 information often by the input of the QA technical  
22 personnel?

23 A Yes.

24 Q Isn't that the voiding that you are talking  
25 about and includes verbal voiding?

j-18a-3

1           A       Maybe. I don't understand what you are  
2 referring to as verbal voiding.

3           Q       What I am talking about is verbal voiding,  
4 Mr. Allum, the situation where before the NCI is  
5 serialized. Okay? Somebody like you, or Mr. Baldwin,  
6 or Mr. Davison, decides that it is not valid as an NCI.

7                   It should be handled some other way. And  
8 that in effecting that decision, the Q-1A form is  
9 discarded without being logged or serialized, and there  
10 is no record kept of it. And there is no record kept  
11 of the decision by the technical reviewer, you or Mr.  
12 Baldwin, or Mr. Davison, of the decision made that it is  
13 not a valid NCI.

14                   In other words, it is not documentary. It  
15 is verbal. It is verbal voiding, right?

16           A       If you say so, yes.

17           Q       Well, that happened, in accordance with this  
18 review, didn't it?

19           A       I don't know of any case of it happening.

20           Q       You don't?

21           A       No.

22           Q       You do, Mr. Baldwin, don't you?

23           A       (WITNESS BALDWIN): (No oral response)

24           Q       We have already established that.

25           A       I can recall two cases.

j-18a-4

1 Q Well, that's good. And Mr. Davison, you  
2 know what happened, don't you?

3 A (WITNESS DAVISON): I know that the process  
4 that you described as verbal voiding of NCI's occurred  
5 occasionally when the NCI would be presented to  
6 me for my review.

7 I would determine it to be not a valid  
8 NCI because it already did not have serial numbers through  
9 it.

10 The decision might very well be it is not  
11 valid, and that would not be processed through NCI.

12 Q I think you remember it happening something  
13 like 20 times a year, right, Mr. Davison?

14 A No, I don't remember any specific case of  
15 that occurring.

16 I remember that occurring from time to time  
17 very, very infrequently. I would put the outside limit  
18 at certainly no more than 20 times a year, just as a  
19 recollection on my part.

20 Q It is just a recollection on your part because  
21 you didn't make any notes. You don't have any record of it;  
22 do you?

23 A That's right.

24 Q You make the point in your testimony that  
25 it should be seen as compared to 17,000 NCI's at the top;

j-18a-5

1 is that right?

2 A I think there have been a total of 17,000  
3 NCI's.

4 Q Wasn't that your testimony? You used that  
5 comparison?

6 A Yes.

7 Q 17,000 we know about, because each NCI gives  
8 a serial number, and they are numbered consecutively.

9 A Yes.

10 Q We all know how many NCI documents that are  
11 typed?

12 A Right.

13 Q We don't know how many are verbally voided  
14 NCI's, because you didn't write it down; is that right?

15 A That's right.

16 Q Now, Mr. Davison, do you agree with Mr. Allum's  
17 observation that this technical review cut down on the  
18 number of improper NCI's?

19 A I don't know whether that did or not. I  
20 don't have the basis for saying yes, it did, or no, it  
21 didn't.

22 During that time period that is described  
23 earlier, we did say that we needed to do a better job of  
24 reviewing NCI's and making sure that the minor items were  
25 not being NCI's when there were other procedural methods



j-18a-6

1 to handle those.

2 Q Well, I think we agreed that your lawyers  
3 put in exhibits, the chart about NCI's. Didn't they  
4 reflect a reduction of some 45 percent in the number of  
5 NCI's that resulted from the change in the Q-1A and  
6 the R-2 procedures, right?

7 A Yes. I think that chart was made to show  
8 the difference, if any, in the number of NCI's originated  
9 after the changes where R-2 was implemented for all  
10 preplant inspections.

11 Q What I want to know is, I see Mr. Allum saying  
12 in his testimony that there was a reduction in the  
13 number of improper NCI's that I understood preceded the  
14 change in the Q-1 and R-2 procedures, and that it flowed  
15 from the use of this technical review.

16 I want to understand, first, is he right  
17 in his observation; and second, how much of a reduction  
18 in the number of NCI's did that affect?

19 A I'm not aware of any evidence that caused a  
20 reduction in the number of NCI's. The way I read  
21 what Mr. Allum is saying is, because of that technical  
22 review, that a better effort was put toward making the  
23 NCI legible, complete, as accurate as possible, having  
24 all the information on it that might possibly be, and  
25 that was the improvement that occurred as a result of doing

j-18a-7

1 a technical reivew with the instructions to do that.

2 A (WITNESS ALLUM): I might add that there is  
3 nothing in my testimony that I understand to say that  
4 cut down on the number of NCI's.

5 It says the improper NCI's.

6 Q Right.

7 A My meaning by that is, when they are submitted,  
8 we had them corrected, and still submitted. It  
9 doesn't mean that we didn't submit them because they were  
10 corrected when they were submitted. That's what it says  
11 in my testimony, I believe.

12 Q Okay. Proper and improper is obviously,  
13 you know, like beauty in the eye of the beholder. Some  
14 QC inspectors think an NCI is proper when you don't  
15 agree, right, Mr. Allum?

16 A I don't think we ever disagreed or failed  
17 to agree on whether it was a real NCI situation or not.

18 What we agreed on is that it could be better  
19 described on the NCI of what was wrong, make it clear,  
20 cut down on the questions.

21 Q Well, okay.

22 A That's my interpretation of improper NCI's.

23 Q I hear you using two terms, Mr. Allum. I  
24 am reading them the way I understand the English language.  
25 It says to eliminate unnecessary NCI's. That's at lines  
11 and 12.

j-18a-8

1 And that suggestion to me, that if you are  
2 eliminating, you are reducing if you had some that were,  
3 in your judgment, unnecessary, they no longer exist.

4 And so it is a subtraction function. They  
5 are less than they were before; right?

6 A We have had NCI's that were poorly written,  
7 that because of the way they were written, we  
8 ended up writing a second NCI to clear up that situation  
9 to justify it, as I recall.

10 Q That's all you are talking about?

11 A That's what I am talking about.

12 We don't want to say that we are not NCIing  
13 them. We want to make it proper when it is an NCI.

14 Q You are only talking here about NCI's, about  
15 this NCI; is that what you are saying?

16 A That's basically it.

17 Q That's a pretty narrow class of thing. Is  
18 that what you all understood that to mean, Mr. Davison?

19 A (WITNESS DAVISON) That would be the  
20 context of what I understood it to be.

21 Q Is that yes?

22 A Yes. That the NCI, when it is written, is  
23 better described.

24 Q So this testimony should be understood,  
25 Mr. Allum. Mr. Davison, in a larger context, talking about

j-18a-9

1 the NCI's generally of Catawba's technical review, didn't  
2 use the number of NCI's; is that correct?

3 A (WITNESS DAVISON) I don't think so.

4 Q Mr. Allum, you don't think so?

5 A (WITNESS ALLUM) No.

6 Q Now, we understand what you are talking about.  
7 Thank you.

8 Now, Mr. Baldwin, you had occasion to talk  
9 to Mr. Zwissler, didn't you?

10 A (WITNESS BALDWIN) Yes, sir.

11 Q Let me see if I can do a little digging here.

12 MR. GUILD: Would counsel provide the witness  
13 a copy of Mr. Baldwin's -- Mr. Zwissler's notes of the  
14 interview with Mr. Baldwin?

15 MR. CARR: We will see if we can get them.  
16 He has a copy.

17 BY MR. GUILD:

18 Q Did you talk to Mr. Zwissler about the 3rd  
19 day of February, 1982?

20 A (WITNESS BALDWIN) Yes, sir.

21 Q Talking about the subject of NCI's, Mr. Baldwin,  
22 did you and Mr. Zwissler talk about NCI's?

23 A I think so.

24 Q Now, you said -- Mr. Zwissler's notes say on  
25 the first page, "The inspectors use their judgment on when

1 to write NCI's. Some inconsistent in how things were  
2 handled."

3 MR. JOHNSON: Did you distribute this document?

4 MR. GUILD: No, I'm not going to use it as  
5 an exhibit. I just want to direct the witness'  
6 attention to it.

7 BY MR. GUILD:

8 Q Did you talk to him about that?

9 A (WITNESS BALDWIN) I probably did. I don't  
10 remember specifically what I said to Mr. Zwissler. These  
11 notes, what I'm trying to do is show you these notes  
12 to refresh your recollection of what you said to him.

13 Q The more important point, Mr. Baldwin, is whether  
14 or not that is an opinion that you held or expressed  
15 to Mr. Zwissler, okay? Not the exact words that I'm  
16 interested in.

17 Did you talk to him about that subject?

18 A I talked with Mr. Zwissler. I wasn't even  
19 aware that he was taking notes. I didn't realize that  
20 he took any notes of this.

21 Apparently this is his perception of our  
22 discussion of him. So I don't really recall specifically  
23 what we discussed.

24 Q Well, I want to know when he is not accurately  
25 reflecting your opinion. So you tell me, okay?

j-18a-11

1 A Okay.

2 Q But this is a guide to me about what you and  
3 others were telling Mr. Zwissler about February of 1982,  
4 as he records it in this way. I want you to tell me  
5 whether it is not accurate, if it isn't.

6 You make this -- he has you making this  
7 observation that inspectors had a free hand. This is  
8 down at the bottom, now.

9 The inspectors had a free hand as to when  
10 to write NCI's. This was NCI's. That was changed.  
11 So on the next page over, it is in-process inspection.  
12 Did not necessarily call for an NCI to be written. The  
13 inspector can tell craft work is unacceptable for this  
14 reason.

15 Craft can correct on its own, or get its  
16 tech support for direction.

17 Did you communicate that substance to Mr.  
18 Zwissler?

19 A I could have, yes. I don't recall specifically,  
20 but I could have.

21 Q Was that an accurate reflection of your  
22 opinion at the time?

23 A I think so.

24 Q That may be a point where Mr. Zwissler is  
25 using his own words, because he uses the words in the

j-18a-12

1 notes, "in-process inspection," as part of his description  
2 of what you said about NCI's.

3 Now, is that an accurate reflection where it  
4 says -- I will read it again. "This was changed so  
5 that in-process inspection did not necessarily call for  
6 an NCI to be written."

7 What do you mean by that?

8 A Probably at one time the inspectors were  
9 quitting nonconformity item records if they had gone to  
10 an inspection. A number of times, if they found it  
11 to be unacceptable several times, or two or three times,  
12 they would make a decision to write a nonconforming item  
13 on it after they had gone for two, three times, or a number  
14 of times. The procedure, the in-process inspection  
15 procedure, allowed them a means to correct that or not  
16 accept the word until it was made acceptable.

17 Q By correcting the work that was previously  
18 found unacceptable, they wouldn't document that they had  
19 found it unacceptable in the process, and they would  
20 simply sign off when it was finally acceptable; is that  
21 right?

22 A That depends on the type of work or the type  
23 of process control that was with the work that was  
24 required for the work, you know, some process control  
25 had steps to document rejectable indications.



j-18a-13

1 Q But it could include the situation I just  
2 described?

3 A It could include that the inspector would  
4 just not accept the work, or sign it off his billing  
5 supplement, until it had been corrected.

6 Q In essence, so in-process inspecting, the  
7 inspector sees that the work is unacceptable. He turns  
8 the work back to the craft to get it fixed. And he comes  
9 back once it has been fixed and signs off on the final  
10 inspection, right?

11 A Yes. Some hold point or inspection hold point,  
12 the craftsman calls for an inspection, and the inspector  
13 inspects the work, and finds it rejectable. He tells  
14 the craftsman what is wrong with the work, and the  
15 craftsman supposedly supposed to fix it.

16 And when he gets the work corrected, he calls  
17 for another inspection. And the inspector goes back  
18 and inspects it again. If it is not acceptable, then  
19 it is not signed off.

20 He tells the inspector, tells the craftsman  
21 again what is wrong with it.

22 In this period of time, as I recall, you know,  
23 I think the inspectors were using this as a tool to force  
24 or to identify what they thought was probably error of  
25 craftsmen, or the craftsmen that needed some attention as



j-18a-14

1 far as correcting their abilities and skills.

2 Q Did Mr. Zwissler inform you, or did you  
3 otherwise learn that such a process was used by name,  
4 the IPIN process, the in-process inspection notice,  
5 such a process was used at, say, the Midland Nuclear Plant?

6 MR. MC GARRY: Objection. We don't see the  
7 relevance of the Midland Nuclear Plant proceedings  
8 in respect to this witness.

9 MR. GUILD: I am not sure. We understand now,  
10 we learn long after the date of this interview, that  
11 Mr. Zwissler was at Midland and looked into what was the  
12 cause in the in-process inspection notice, the IPIN,  
13 and that IPINs are the subject of the \$120,000 civil penalty  
14 for the QA deficiencies that Mr. Zwissler looked at at  
15 Midland.

16 I want to know whether or not Mr. Zwissler  
17 communicated on this subject to Mr. Baldwin or others,  
18 and whether or not, first, Mr. Baldwin understood that  
19 Mr. Zwissler had seen this elsewhere.

20 Second, whether or not Mr. Zwissler understood  
21 that what he was getting, what he was hearing from  
22 Mr. Baldwin is what he subsequently signed off on at  
23 Midland, notwithstanding the NRC Staff's ultimate  
24 conclusion that it was a violation of NRC regulation.

25 JUDGE KELLEY: You lost me on the second part.

j-18a-15

1 MR. GUILD: Let me see if I can get it clear.

2 We have got the gentleman, Mr. Zwissler,  
3 doing consultant work, who ultimately says he didn't see  
4 any problems in what he saw happening at Catawba. That's  
5 a shorthand for it, but he signed off on the technical  
6 task force, and he had before him the verbal voiding  
7 of NCI's, as has been described. Okay?

8 He didn't flag that as a problem. All right?

9 He similarly had in front of him, in the work  
10 that he holds up as his qualification, the IPIN system at  
11 Midland. He didn't flag that as a problem, either.

12 Now, the NRC Staff subsequently found at  
13 Midland that it was subject -- it was a violation, civil  
14 penalty.

15 Now, I want to understand, first, whether that  
16 was what was transmitted between Mr. Baldwin and Mr.  
17 Zwissler, because, I think it forms a basis for the  
18 basis of impeaching Mr. Zwissler's qualifications.

19 Second, I want to understand whether Mr.  
20 Zwissler transmitted the other way to Mr. Baldwin the  
21 observation about the propriety of what he describes here  
22 in his notes as the in-process inspection.

23 JUDGE KELLEY: Whether Zwissler told Baldwin  
24 about the IPIN phenomena is what you want to discover?

25 MR. GUILD: With the stability of the in-process

j-18a-16

1    proceed, as he is observing in this interview.

2    Secondly, whether or not Mr. Zwissler through Mr. Baldwin  
3    learned that what was going on at Catawba is a two-way  
4    street, the Zwissler involvement on opposite sides.

5                JUDGE KELLEY: I am not sure, still, do either  
6    of these streets meet at the relevant square? Namely,  
7    this case.

8                MR. GUILD: We would like to lay the foundation,  
9    first, that Mr. Zwissler should not be relied upon to  
10   vouch for Duke's work at Catawba.

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j-18b-1

1 JUDGE KELLEY: He is not in this panel.

2 MR. GUILD: He is not in the panel. I have  
3 got his notes talking to these people, one person.

4 JUDGE KELLEY: Right.

5 MR. GUILD: Second, I want to --

6 JUDGE KELLEY: Let me be clear. I don't have  
7 a copy of those notes. The notes you are examining  
8 this witness on are those notes that refer to the IPIN  
9 procedure?

10 MR. GUILD: No, sir. They use words, Mr.  
11 Zwissler's handwriting. It says -- I will hand it up  
12 if you would like. This was changed so that in-process  
13 inspections did not necessarily call for an NCI to be  
14 written.

15 It went on to describe what I understand to  
16 be tantamount to the IPIN procedure.

17 JUDGE KELLEY: Well, it seems to me that  
18 importing IPINs into this case for this purpose just  
19 serves to muddy the water. Can you ask this witness what  
20 procedure they used at Catawba? But we don't have  
21 Mr. Zwissler here. We are going to sustain the objection  
22 on relevance grounds to this question.

23 MR. GUILD: Okay.

24 JUDGE KELLEY: Is this a good time to quit?  
25 Would you like to finish off where you are?

j-18b-2

1 MR. GUILD: I will finish off this line of  
2 questioning.

3 BY MR. GUILD:

4 Q Mr. Baldwin, you have this note in front of  
5 you describing this process. What I want to understand,  
6 sir, is, Mr. Zwissler expressed to you -- and hold your  
7 answer in case this is an improper question -- did  
8 Mr. Zwissler express to you his opinion that this  
9 description of the in-process inspection represented an  
10 acceptable quality assurance procedure?

11 That's the question.

12 JUDGE KELLEY: That's fair enough. It has  
13 nothing to do with IPINs, as I hear it.

14 WITNESS BALDWIN: I don't recall Mr. Zwissler  
15 expressing his opinion about anything to me.

16 He was asking me questions.

17 MR. GUILD: Okay. Thank you.

18 That's a good point, Your Honor.

19 JUDGE KELLEY: Why don't we -- is there  
20 anything else that has to be mentioned before we quit?

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j-19a-1

1 MR. MC GARRY: We can take up with Mr. Guild  
2 in terms of getting our next panel. Do you think  
3 we will be with this panel all day tomorrow?

4 MR. GUILD: Let's talk about it afterwards.

5 JUDGE KELLEY: 9:00 o'clock tomorrow morning.  
6 We are adjourned.

7 (Whereupon, at 5:35 p.m., the meeting was  
8 adjourned, to reconvene at 9:00 a.m., Wednesday,  
9 October 26, 1983.)

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CERTIFICATE OF PROCEEDINGS

This is to certify that the attached proceedings before the  
NRC COMMISSION

In the matter of: Duke Power Company et al  
Catawba Station, Units 1 & 2

Date of Proceeding: October 25, 1983

Place of Proceeding: Rock Hill, South Carolina

were held as herein appears, and that this is the original  
transcript for the file of the Commission.

Ronald Graham  
Official Reporter - Typed

*Ronald Graham*  
Official Reporter - Signature

Marcia B. Hall  
Official Reporter - Typed

*Marcia B. Hall*  
Official Reporter - Signature